

# EXCESS LIABILITY INSURANCE POLICY

THIS IS AN EXCESS LIABILITY "CLAIMS-FIRST-MADE" POLICY WHICH MAY BE DIFFERENT FROM OTHER POLICIES INCLUDING OTHER CLAIMS-MADE POLICIES. PLEASE READ THE ENTIRE POLICY CAREFULLY.

*Words and phrases that appear in all capital letters have the special meanings set forth in Section II. Definitions*



## DECLARATIONS

**POLICY NO.** XL5044803P

**DECLARATIONS NO.** 1

- Item 1:** NAMED INSURED:  
Entergy Corporation  
639 Loyola Ave  
New Orleans, LA 70113-3125
- Item 2:** POLICY PERIOD: from the 1st day of November, 2013 until the 1st day of November, 2014, both days at 12:01 A.M. Local Time at the address of the NAMED INSURED.
- Item 3:** RETROACTIVE DATE: the 1st day of November, 1986 at 12:01 A.M. Local Time at the address of the NAMED INSURED.
- Item 4:** POLICY Premium: \$3,393,558
- Item 5:**
- A. Limit of Liability each OCCURRENCE:
    - 1. \$35,000,000\*
    - 2. \$70,000,000 General Aggregate
  - B. JOINT VENTURE Limit of Liability each OCCURRENCE:  
Per Limit of Liability Section I.(B)(9)\*
  - C. Combined PRODUCTS LIABILITY and COMPLETED OPERATIONS LIABILITY  
Aggregate Limit of Liability for the POLICY PERIOD:  
\$35,000,000\*
  - D. FAILURE TO SUPPLY LIABILITY Aggregate Limit of Liability for the POLICY PERIOD:  
\$35,000,000\*
  - E. POLLUTION LIABILITY Aggregate Limit of Liability for the POLICY PERIOD:  
\$35,000,000
  - F. MEDICAL MALPRACTICE INJURY Limit of Liability each OCCURRENCE:  
\$35,000,000\*
  - G. WILD FIRE LIABILITY Aggregate Limit of Liability for the POLICY PERIOD:  
\$35,000,000\*
- \* Subject to the \$70,000,000 General Aggregate of the POLICY

**DECLARATIONS**

continued

POLICY NO. XL5044803P

DECLARATIONS NO. 1

**Item 6: UNDERLYING LIMITS:**

- A. As listed in the attached Underlying Limits Schedule.
- B. \$3,000,000 Each OCCURRENCE:
  - (1) not covered by underlying insurance; and
  - (2) not subject to a self-insured retention listed in the attached Underlying Limits Schedule.
- C. In the event of any CLAIM(s) arising from any single OCCURRENCE which involves two or more UNDERLYING LIMITS, the UNDERLYING LIMITS shall apply in Combination.

**Item 7:** Any notice to be provided or any payment to be made hereunder to the NAMED INSURED shall be made to:

Mr. Michael A. Dragna  
Project Manager - Risk Management  
Entergy Corporation  
639 Loyola Ave  
L-ENT-6A  
New Orleans LA 70113-3125

**Item 8:** Any notice to be provided or any payment to be made hereunder to the COMPANY shall be made to:

AEGIS Insurance Services, Inc.  
1 Meadowlands Plaza  
East Rutherford, NJ 07073

**Endorsements attached at POLICY issuance: 1-12**Countersigned at **East Rutherford, New Jersey**On November 18, 2013**AEGIS Insurance Services, Inc.**

By

Authorized Representative

# POLICY OF EXCESS LIABILITY INSURANCE EFFECTED WITH ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED HAMILTON, BERMUDA

THIS IS AN EXCESS LIABILITY "CLAIMS-FIRST-MADE" POLICY  
WHICH MAY BE DIFFERENT FROM OTHER POLICIES.  
PLEASE READ THE ENTIRE POLICY CAREFULLY.

*Words and phrases that appear in all capital letters have the special meanings set forth in  
Section II. Definitions.*

In consideration of the payment of premium, and in reliance upon all statements made and information furnished to Associated Electric & Gas Insurance Services Limited and subject to all the terms hereinafter provided, the COMPANY agrees as follows:

## **I. INSURING AGREEMENT**

### **(A) Indemnity**

The COMPANY shall indemnify the INSURED for any and all sums which the INSURED shall become legally obligated to pay as ULTIMATE NET LOSS by reason of liability imposed upon the INSURED by law or liability assumed by the INSURED under CONTRACT, including the INSURED'S proportionate share of any liability arising in any manner whatsoever out of the operations or existence of any JOINT VENTURE in which the INSURED has an interest, for damages because of BODILY INJURY, PERSONAL INJURY or PROPERTY DAMAGE which is caused by an OCCURRENCE and either:

- (1) for which a CLAIM is first made against the INSURED during the POLICY PERIOD or during any DISCOVERY PERIOD; or
- (2) about which a NOTICE OF CIRCUMSTANCES is given to the COMPANY during the POLICY PERIOD or during any DISCOVERY PERIOD;

whichever is earlier.

### **(B) Limits of Liability**

#### **(1) Underlying Limits**

The COMPANY shall only be liable hereunder for ULTIMATE NET LOSS in excess of the UNDERLYING LIMITS as stated in Item 6A or 6B of the Declarations, whichever is applicable.

With respect to the application of the UNDERLYING LIMITS to ULTIMATE NET LOSS covered hereunder:

- (a) in the event of the reduction of an applicable underlying aggregate limit listed in the Underlying Limits Schedule, the UNDERLYING LIMITS with respect to any ULTIMATE NET LOSS which would have been covered by such underlying aggregate limit and is covered hereunder shall be deemed to be (i) such reduced UNDERLYING LIMIT, (ii) \$200,000 or (iii) the amount stated in Item 6B of the Declarations, whichever is greatest; and
- (b) in the event of the exhaustion of an applicable underlying aggregate limit listed in the Underlying Limits Schedule, the UNDERLYING LIMITS with respect to any ULTIMATE NET LOSS which would have been covered by such underlying aggregate limit and is covered hereunder shall be \$200,000 or the amount stated in Item 6B of the Declarations, whichever is greater;

provided, only payment of INDEMNITY or DEFENSE COSTS which, except for the amount thereof, would have been indemnifiable under this POLICY may reduce or exhaust an underlying aggregate limit. Nothing herein shall be construed to make this POLICY subject to the terms of any underlying insurance.

In the event of any CLAIM(S) arising out of any single OCCURRENCE which involve(s) two or more UNDERLYING LIMITS:

- (x) if Item 6C of the Declarations designates that UNDERLYING LIMITS shall apply "in combination", then the UNDERLYING LIMIT shall be the greater of:
  - (i) the sum of any applicable underlying insured limit(s) and the single largest applicable self-insured retention; or
  - (ii) the amount stated in Item 6B of the Declarations; and
- (y) if Item 6C of the Declarations designates that UNDERLYING LIMITS shall apply "separately", then each applicable UNDERLYING LIMIT shall be applied separately without limitation.

(2) General Aggregate Limit

The amount stated in Item 5A.(2) of the Declarations is the maximum amount payable by the COMPANY in the aggregate for the POLICY PERIOD (including all DISCOVERY PERIODS) for all ULTIMATE NET LOSS to which this POLICY applies, except for (a) ULTIMATE NET LOSS arising out of BODILY INJURY or PROPERTY DAMAGE included in POLLUTION LIABILITY, which shall be subject to the specific aggregate Limit of Liability under paragraph (7) of Section I.(B), *Limits of Liability*, and (b) Employment Practice Liability coverage if purchased, which shall be subject to the specific aggregate Limit of Liability set forth in the Employment Practices Liability Endorsement pursuant to which such coverage is provided.

(3) Occurrence Limit

Subject to the General Aggregate Limit set forth in Section I.(B)(2) above, the maximum amount payable by the COMPANY for ULTIMATE NET LOSS arising out of any one OCCURRENCE shall be the amount stated in Item 5A.(1) of the Declarations.

In the event that there are multiple CLAIMS which arise out of the same OCCURRENCE, even if such multiple CLAIMS are made against different INSUREDS, all such multiple CLAIMS shall be deemed to be a single CLAIM arising out of a single OCCURRENCE and shall be deemed to have been reported at the time that the first of such multiple CLAIMS is made or the time NOTICE OF CIRCUMSTANCES which give rise to such CLAIM is given, whichever is earlier. The UNDERLYING LIMITS and Limits of Liability with respect to such OCCURRENCE, as stated in the Declarations, shall apply regardless of the number of CLAIMS arising out of the same OCCURRENCE.

(4) Medical Malpractice Injury

Notwithstanding the Occurrence Limit set forth in Section I.(B)(3) above and subject to the General Aggregate Limit set forth in Section I.(B)(2) above, the maximum amount payable by the COMPANY for ULTIMATE NET LOSS arising out of any one OCCURRENCE causing MEDICAL MALPRACTICE INJURY shall be the amount stated in Item 5F of the Declarations.

(5) Products Liability and Completed Operations

Subject to the General Aggregate Limit set forth in Section I.(B)(2) above, the maximum amount payable by the COMPANY in the aggregate for the POLICY PERIOD (including all DISCOVERY PERIODS) for all ULTIMATE NET LOSS arising out of BODILY INJURY or PROPERTY DAMAGE included in PRODUCTS LIABILITY and COMPLETED OPERATIONS LIABILITY shall be the amount stated in Item 5C of the Declarations.

(6) Failure to Supply Liability

Subject to the General Aggregate Limit set forth in Section I.(B)(2) above, the maximum amount payable by the COMPANY in the aggregate for the POLICY PERIOD (including all DISCOVERY PERIODS) for all ULTIMATE NET LOSS arising out of BODILY INJURY or PROPERTY DAMAGE included in FAILURE TO SUPPLY LIABILITY shall be the amount stated in Item 5D of the Declarations.

(7) Pollution Liability

The maximum amount payable by the COMPANY in the aggregate for the POLICY PERIOD (including all DISCOVERY PERIODS) for all ULTIMATE NET LOSS arising out of BODILY INJURY or PROPERTY DAMAGE included in POLLUTION LIABILITY shall be the amount stated in Item 5E of the Declarations.

(8) Wildfire Liability

Subject to the General Aggregate Limit set forth in Section I.(B)(2) above, the maximum amount payable by the COMPANY in the aggregate for the POLICY PERIOD (including all DISCOVERY PERIODS) for all ULTIMATE NET LOSS arising out of BODILY INJURY, PERSONAL INJURY or PROPERTY DAMAGE included in WILDFIRE LIABILITY shall be the amount stated in Item 5G of the Declarations.

(9) Joint Ventures

Notwithstanding the Occurrence Limit set forth in Section I.(B)(3) above and subject to the General Aggregate Limit set forth in Section I.(B)(2) above, with respect to any OCCURRENCE involving any JOINT VENTURE in which the INSURED has an interest and which involves more than one insured of the COMPANY, the maximum amount payable by the COMPANY under this POLICY in the aggregate for all ULTIMATE NET LOSS resulting from such OCCURRENCE shall be the product of:

- (a) the percentage interest of the INSURED in the said JOINT VENTURE divided by the sum of the percentage interest of the INSURED and the percentage of all other insureds of the COMPANY in the said JOINT VENTURE; and
- (b) the amount stated in Item 5A of the Declarations of this POLICY.

The percentage interest referred to in this Section I.(B)(9) shall be that which is imposed by law.

Where any underlying insurance(s) has (have) been reduced by a clause having the same effect as this Section I.(B)(9), the amount payable by the COMPANY under this POLICY, as limited by this Section I.(B)(9) shall be excess of the sum of:

- (a) such reduced limits of any underlying insurance(s); and
- (b) the limits of any underlying insurance(s) not reduced.

Any amount payable by the COMPANY under this POLICY with respect to an INSURED having an interest in a JOINT VENTURE shall be excess of any amount payable by the COMPANY with respect to such INSURED under any other policy issued by the COMPANY providing coverage to the JOINT VENTURE and/or all interests involved therein and, in the event this POLICY so applies in excess, the UNDERLYING LIMIT stated in Item 6B of the Declarations, if otherwise applicable, shall be deemed not to apply.

(10) Multiple Insureds

The inclusion or addition hereunder of more than one INSURED shall not operate to increase the COMPANY'S Limits of Liability beyond those amounts stated in Item 5 of the Declarations.

## II. DEFINITIONS

- (A) BODILY INJURY: The term "BODILY INJURY" shall mean bodily injury, mental anguish, mental illness, emotional upset, sickness or disease sustained by any person which occurs during the COVERAGE PERIOD, including death at any time resulting therefrom.
- (B) CLAIM: The term "CLAIM" shall mean any demand or suit against any INSURED for damages because of BODILY INJURY, PERSONAL INJURY or PROPERTY DAMAGE.

Multiple demands or suits arising out of the same OCCURRENCE shall be deemed to be a single "CLAIM".

- (C) COMPANY: The term "COMPANY" shall mean Associated Electric & Gas Insurance Services Limited, Hamilton, Bermuda, a non-assessable mutual insurance company.
- (D) COMPLETED OPERATIONS LIABILITY: The term "COMPLETED OPERATIONS LIABILITY" shall include BODILY INJURY and PROPERTY DAMAGE arising out of operations, or reliance upon a representation or warranty with respect thereto made at any time, but only if such BODILY INJURY or PROPERTY DAMAGE occurs after such operations have been completed or abandoned and occurs away from premises owned by or rented to the INSURED.

Operations shall include materials, parts or equipment furnished in connection therewith.

Operations shall be deemed completed at the earliest of the following:

- (1) when all operations to be performed by or on behalf of the INSURED under the contract for such operations have been completed;
- (2) when all operations to be performed by or on behalf of the INSURED at the site of the operations have been completed; or
- (3) when the portion of the operations out of which the BODILY INJURY or PROPERTY DAMAGE arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as part of the same project.

Operations which may require further service or maintenance work, or correction, repair or replacement because of any defect or deficiency, but which are otherwise completed shall be deemed completed.

"COMPLETED OPERATIONS LIABILITY" shall not include BODILY INJURY or PROPERTY DAMAGE arising out of:

- (1) operations in connection with the transportation of property, unless the BODILY INJURY or PROPERTY DAMAGE arises out of a condition in or on a vehicle created by the loading or unloading thereof;
  - (2) the existence of tools, uninstalled equipment or abandoned or unused materials; or
  - (3) any operations necessary or incidental to the supplying of gas, electricity or steam including:
    - (a) the exploration for or production, storage, transmission or distribution of gas; or
    - (b) the generation, transmission or distribution of electricity or steam.
- (E) CONTRACT: The term "CONTRACT" shall mean an agreement to assume the tort liability of another for BODILY INJURY, PERSONAL INJURY or PROPERTY DAMAGE which occurs subsequently to the making of such agreement. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- (F) COVERAGE PERIOD: The term "COVERAGE PERIOD" shall mean the period of time from the RETROACTIVE DATE to the termination of the POLICY PERIOD.
- (G) DEFENSE COSTS: The term "DEFENSE COSTS" shall mean all expenses incurred by the INSURED in the investigation, negotiation, settlement and defense of any CLAIM or in the investigation of any OCCURRENCE or circumstances of which NOTICE OF CIRCUMSTANCES has been given, excluding all salaries, wages and benefit expenses of employees and office expenses of the INSURED; however, the COMPANY shall not be liable for expenses as aforesaid when such expenses are included in other valid and collectible insurance, except where that insurance is subject to at least one hundred percent (100%) reimbursement by the INSURED.
- (H) DISCOVERY PERIOD: The term "DISCOVERY PERIOD" shall mean the applicable period of time in which:
- (1) a CLAIM must first be made against an INSURED, or
  - (2) a NOTICE OF CIRCUMSTANCES must be given by the INSURED,
- as determined in accordance with Condition (N).

- (I) **EMPLOYER'S LIABILITY:** The term "EMPLOYER'S LIABILITY" shall mean that liability imposed upon an INSURED as a result of BODILY INJURY sustained by an employee of such INSURED which arises out of or in the course of the injured employee's employment by such INSURED provided such BODILY INJURY is caused by an OCCURRENCE. However, the term "EMPLOYER'S LIABILITY" does not include the obligation of any INSURED under any workers' compensation law, disability benefits or unemployment benefits law or any similar law.
- (J) **FAILURE TO SUPPLY LIABILITY:** The term "FAILURE TO SUPPLY LIABILITY" shall include BODILY INJURY and PROPERTY DAMAGE arising out of a failure to supply or provide an adequate supply of gas, electricity, steam, water or telephone service to meet demand.
- (K) **INDEMNITY:** The term "INDEMNITY" shall mean all sums which the INSURED shall become legally obligated to pay as damages, including punitive damages where the insurance of punitive damages is permitted by law, either by adjudication or compromise with the consent of the COMPANY, after making proper deductions for all recoveries and salvages collectible and for other insurance as provided for in Condition (H) hereof.
- (L) **INSURED:** Each of the following shall be an "INSURED" under this POLICY to the extent set forth below:
- (1) the NAMED INSURED;
  - (2) any person or organization, other than the NAMED INSURED, to such extent and for such limits of liability (subject always to the terms and Limits of Liability of this POLICY) as the NAMED INSURED has agreed in writing prior to an OCCURRENCE to provide insurance for such person or organization, except:
    - (a) any organization acquired or formed by the NAMED INSURED after the inception of the POLICY PERIOD;
    - (b) where such other person or organization has assumed the liability of the "INSURED" under contract; or
    - (c) where such other person or organization is engaged in a JOINT VENTURE with the NAMED INSURED in which the NAMED INSURED is not the operator or managing partner;
  - (3) any of the following while acting within the scope of his/her duties: any officer, director or employee of the NAMED INSURED or any other natural person in a similar capacity to an officer or director;
  - (4) if the NAMED INSURED is a partnership, the partnership and any partner thereof but only with respect to the partner's liability as a partner;
  - (5) any person while using any automobile with the permission of the NAMED INSURED, provided the use thereof is within the scope of the permission granted.
- (M) **INSURED'S PRODUCTS:** The term "INSURED'S PRODUCTS" shall mean goods or products, including any container thereof (other than a vehicle), manufactured, sold, handled or distributed by an INSURED or by any other person trading under its name, but "INSURED'S PRODUCTS" shall not include:
- (1) a vending machine or other property rented to or located for use of others but not sold; or
  - (2) gas, electricity or steam.
- (N) **JOINT VENTURE:** The term "JOINT VENTURE" shall mean any joint venture, co-venture, joint lease, joint operating agreement or partnership.
- (O) **MEDICAL MALPRACTICE INJURY:** The term "MEDICAL MALPRACTICE INJURY" shall mean BODILY INJURY resulting from the rendering of or failure to render the following services:
- (1) medical, surgical, dental, X-ray or nursing services or treatment, or the furnishing of food or beverages in connection therewith; or
  - (2) the furnishing or dispensing of drugs or medical, surgical or dental supplies or appliances;

but only if such services are rendered (or failed to be rendered) by a person who is an employee of the INSURED, is acting pursuant to an oral or written contract with the INSURED to provide such services, or is acting under the supervision of the INSURED in providing such services.

"MEDICAL MALPRACTICE INJURY" shall not include BODILY INJURY arising out of, attributable to or associated with:

- (1) surgical procedures customarily involving the use of general anesthesia, intravenous anesthesia, intravenous sedation or spinal /epidural anesthesia; or
- (2) obstetric and gynecological services, including attendance at, or supervision of, labor and/or delivery.

(P) NAMED INSURED: The term "NAMED INSURED" shall:

- (1) mean the organization(s) named in Item 1 of the Declarations and any subsidiary company in line of corporate descent from such organization(s);
- (2) (a) be deemed to mean any organization, other than a partnership or JOINT VENTURE, acquired or formed by the "NAMED INSURED" after the inception of the POLICY PERIOD whose operations are related to, arising from or associated with the production, transmission, delivery or furnishing of electricity, gas, water or sewer service to the public or the conveyance of telephone messages for the public and whose total assets do not exceed the lesser of \$100,000,000 or ten percent (10%) of the "NAMED INSURED'S" total assets and where the newly acquired or formed organization does not have other similar insurance; but only with respect to OCCURRENCES during that part of the COVERAGE PERIOD which is subsequent to such acquisition or formation; and
- (b) be deemed to mean any organization acquired or formed by the "NAMED INSURED" after the inception of the POLICY PERIOD and not subject to paragraph (a) above, other than a JOINT VENTURE, in which the "NAMED INSURED" has a majority interest and where the newly acquired or formed organization does not have other similar insurance; but only if the "NAMED INSURED" shall report such acquisition or formation within sixty (60) days thereafter, and if so reported, such newly acquired or formed organizations shall be deemed to be a "NAMED INSURED" from the date of its acquisition or formation, but only with respect to OCCURRENCES during that part of the COVERAGE PERIOD which is subsequent to such acquisition or formation. An additional premium and other terms may be required by the COMPANY with respect to such newly acquired or formed organizations; and
- (3) be deemed to mean any subsidiary company in line of corporate descent from the organization named in Item 1 of the Declarations which has been or may be acquired by or merged with an entity (other than any "NAMED INSURED") prior to or after the inception of the POLICY PERIOD, but only with respect to BODILY INJURY or PROPERTY DAMAGE which occurs or acts causing PERSONAL INJURY which are committed during that part of the COVERAGE PERIOD which is prior to such acquisition or merger. An additional premium and other terms may be required by the COMPANY with respect to such acquired or merged subsidiary company.

(Q) NON-EMPLOYMENT DISCRIMINATION or NON-EMPLOYMENT SEXUAL HARASSMENT:

- (1) NON-EMPLOYMENT DISCRIMINATION: The term "NON-EMPLOYMENT DISCRIMINATION" shall mean the treatment of any natural person based on the person's race, color, creed, citizenship, national origin, religion, age, sex, disability or pregnancy in a manner which violates any federal, state or local law. "NON-EMPLOYMENT DISCRIMINATION" shall not include any CLAIM made by or on behalf of an employee of the INSURED or an applicant for employment by the INSURED and shall not include any CLAIM in any way resulting from, attributable to or associated with the INSURED'S employment of a person or failure to employ a person.
- (2) NON-EMPLOYMENT SEXUAL HARASSMENT: The term "NON-EMPLOYMENT SEXUAL HARASSMENT" shall mean any sexual advances, requests for sexual favors, or any other verbal or physical conduct of a sexual nature which violates any federal, state or local law. "NON-EMPLOYMENT SEXUAL HARASSMENT" shall not include any CLAIM made by or on behalf of an employee of the INSURED or an applicant for employment by the INSURED and shall not include any CLAIM in any way resulting from, attributable to or associated with the INSURED'S employment of a person or failure to employ a person.



(R) NOTICE OF CIRCUMSTANCES: The term "NOTICE OF CIRCUMSTANCES" shall mean written notice by the INSURED to the COMPANY of any OCCURRENCE or circumstances, which appear likely to give rise to a CLAIM against an INSURED. Such written notice shall include but not be limited to information as to the nature of any OCCURRENCE or circumstances, the actual or anticipated injury or damage resulting therefrom, the names of any claimant(s) or potential claimant(s), and the manner in which the INSURED first became aware of the OCCURRENCE or circumstances.

(S) OCCURRENCE: The term "OCCURRENCE" shall mean:

- (1) with respect to BODILY INJURY and PROPERTY DAMAGE, an accident, event or continuous or repeated exposure to conditions neither expected nor intended from the standpoint of the INSURED; and
- (2) with respect to PERSONAL INJURY, only the acts specified in Definition (T).

All CLAIMS arising out of the same act, accident, event or exposure to substantially the same general conditions shall be deemed to have arisen out of a single "OCCURRENCE".

(T) PERSONAL INJURY: The term "PERSONAL INJURY" shall mean any injury (other than BODILY INJURY or PROPERTY DAMAGE) neither expected nor intended from the standpoint of the INSURED and arising out of one or more of the following acts committed during the COVERAGE PERIOD:

- (1) false or wrongful arrest, detention or imprisonment or malicious prosecution;
- (2) wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, by a person claiming to be, or to be acting on behalf of, its owner, landlord or lessor;
- (3) NON-EMPLOYMENT DISCRIMINATION or NON-EMPLOYMENT SEXUAL HARASSMENT;
- (4) a publication or utterance:
  - (a) of a libel or slander or other defamatory or disparaging material; or
  - (b) in violation of an individual's right of privacy; or
- (5) with respect to the NAMED INSURED'S Advertising Activities: piracy, plagiarism, idea misappropriation under implied contract, or infringement of copyright, title or slogan, registered trade mark, service mark or trade name.

The term "Advertising Activities", as used in this definition, includes only advertising activities which are written or otherwise recorded media and which are intended to promote the sale of a specific product(s) or service(s) and does not include any activities or materials intended to advance, promote generally or inform concerning the NAMED INSURED or any other company, entity or business venture for purposes of making investments in or extensions of credit to the NAMED INSURED or any other company, entity or business venture, including but not limited to, annual reports, prospectuses, proxy statements or any document(s) required to be created or filed with the Securities and Exchange Commission or any other governmental agency or authority.

(U) POLICY: The term "POLICY" shall mean this insurance policy, including the Declarations, the Underlying Limits Schedule and any endorsements, issued by the COMPANY to the NAMED INSURED for the POLICY PERIOD.

(V) POLICY PERIOD: The term "POLICY PERIOD" shall mean the period of time stated in Item 2 of the Declarations.

(W) POLLUTANTS: The term "POLLUTANTS" shall mean any solid, liquid, gaseous or thermal irritants, contaminants or pollutants, including smoke, vapor, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, including materials to be recycled, reconditioned or reclaimed, or other irritants, contaminants or pollutants of any kind.

(X) POLLUTION LIABILITY: The term "POLLUTION LIABILITY" shall include BODILY INJURY, PROPERTY DAMAGE and PERSONAL INJURY which arise out of the actual or alleged discharge, dispersal, release

or escape of any POLLUTANTS into or upon any person, thing or place including the land, the atmosphere, any man-made structure and any above or below ground water course or body of water.

(Y) PRODUCTS LIABILITY: The term "PRODUCTS LIABILITY" shall include BODILY INJURY and PROPERTY DAMAGE which arise out of the INSURED'S PRODUCTS or reliance upon a representation or warranty with respect thereto made at any time, but only if the BODILY INJURY or PROPERTY DAMAGE occurs away from premises owned by or rented to the NAMED INSURED and after physical possession of such INSURED'S PRODUCTS has been relinquished to others.

(Z) PROPERTY DAMAGE: The term "PROPERTY DAMAGE" shall mean:

- (1) physical damage to or destruction of tangible property which occurs during the COVERAGE PERIOD, including the loss of use thereof at any time resulting therefrom; or
- (2) loss of use at any time of tangible property which has not been physically damaged or destroyed, provided such loss of use is caused by an OCCURRENCE during the COVERAGE PERIOD.

(AA) RETROACTIVE DATE: The term "RETROACTIVE DATE" shall mean the date stated in Item 3 of the Declarations.

(BB) ULTIMATE NET LOSS: The term "ULTIMATE NET LOSS" shall mean the total INDEMNITY and DEFENSE COSTS with respect to each OCCURRENCE to which this POLICY applies.

(CC) UNDERLYING LIMITS: The term "UNDERLYING LIMITS" shall mean those amounts stated in Item 6 of the Declarations.

(DD) WILDFIRE: The term "WILDFIRE" shall mean any sweeping and destructive conflagration in a wilderness or a rural area that can also consume houses, buildings or other structures and agricultural resources (exclusive of the INSURED'S premises). Aside from the aforementioned conflagration, the term "WILDFIRE" is also understood to include any "Other Fire Incident".

The term "Other Fire Incident", as used in this definition, shall mean a conflagration which threatens to destroy life, property, or natural resources, and (a) is not burning within the confines of firebreaks, or (b) is burning with such intensity that it could not be readily extinguished, with ordinary tools commonly available, for a period greater than twenty-four (24) hours.

(EE) WILDFIRE LIABILITY: The term "WILDFIRE LIABILITY" shall include BODILY INJURY, PERSONAL INJURY and PROPERTY DAMAGE which arise out of a WILDFIRE, including any cost the INSURED becomes legally obligated to pay as reimbursement for fighting, suppressing or bringing under control any WILDFIRE, subject to all the terms and conditions of the POLICY. "WILDFIRE LIABILITY" shall exclude salaries, wages or benefit expenses of employees of the INSURED and PROPERTY DAMAGE to the INSURED'S equipment used in bringing such WILDFIRE under control.

### **III. EXCLUSIONS**

This POLICY shall not apply and the COMPANY shall not be liable to make any payment for ULTIMATE NET LOSS with respect to any CLAIM(S) made against any INSURED:

(A) for liability arising out of the ownership, maintenance, operation, use, loading or unloading of:

- (1) any watercraft in excess of seventy-five (75) feet in length; or
- (2) any aircraft;

which is chartered, operated, hired, loaned, leased or rented by the INSURED for a period (including any extensions or renewals) of more than thirty (30) consecutive days, or which is owned by the INSURED.

(B) for liability for PROPERTY DAMAGE to:

- (1) property owned or occupied by or rented to the INSURED;
- (2) property used by the INSURED;
- (3) property in the care, custody or control of the INSURED or as to which the INSURED is for any purpose exercising physical control; however, Sections (2) and (3) of this Exclusion shall not apply

with respect to liability under a written sidetrack agreement and Section (3) of this Exclusion shall not apply with respect to PROPERTY DAMAGE arising out of the use of an elevator (other than to the elevator) at premises owned by, rented to or controlled by the NAMED INSURED;

- (4) the INSURED'S PRODUCTS arising out of such products or any part of such products; or
- (5) work performed by or on behalf of the INSURED arising out of such work or any portion thereof, or out of materials, parts or equipment furnished in connection therewith.

(C) only with respect to the PRODUCTS LIABILITY and COMPLETED OPERATIONS LIABILITY:

- (1) for loss of use of tangible property which has not been physically damaged or destroyed resulting from:
  - (a) a delay in or lack of performance by or on behalf of the INSURED of any contract or agreement; or
  - (b) the failure of the INSURED'S PRODUCTS or work performed by or on behalf of the INSURED to meet the level of performance, quality, fitness or durability warranted or represented by the INSURED; however, this Exclusion shall not apply to loss of use of other tangible property resulting from the sudden and accidental physical damage to or destruction of the INSURED'S PRODUCTS or work completed by or on behalf of the INSURED after such products or work have been put to use by any person or organization other than the INSURED; or
- (2) for liability arising out of the withdrawal, inspection, repair, replacement or loss of use of the INSURED'S PRODUCTS or work completed by or for the INSURED or of any property of which such products or work form a part, if such products, work or property are withdrawn from the market or from use.

(D) for any FAILURE TO SUPPLY LIABILITY, unless:

- (1) such failure is caused by an OCCURRENCE; and
- (2) the combined capacity of the INSURED'S installed production facilities and contractual supply arrangements is equal to or greater than one hundred and ten percent (110%) of the electricity demand or one hundred percent (100%) of the gas demand (whichever demand is applicable) immediately preceding such failure, on the INSURED'S electric or gas system.

(E) for the cost of removal of debris or wreck from any navigable body of water if the INSURED has or had, prior to loss, an ownership and/or operating interest and/or contractual responsibility in or for such debris or wreck; however, this Exclusion shall not apply with respect to POLLUTION LIABILITY or the cost of removal, for which the INSURED may become liable, of any debris or wreck which is the property of others.

(F) (1) for liability based upon, arising out of or attributable to:

- (a) any actual, alleged or threatened discharge, dispersal, release or escape of any POLLUTANTS, subsequent to the "Disposal" of such POLLUTANTS, into or upon any person, thing or place including land, atmosphere, any man-made structure and any above or below ground watercourse or body of water; or
  - (b) any actual, alleged or threatened discharge, dispersal, release or escape of any substance(s) arising from the combustion of fuels into or upon any person, thing or place, including the land, the atmosphere, any man-made thing or structure and any above or below ground water, watercourse or body of water that results in "Acidic Deposition", whether or not such discharge, dispersal, release or escape is cumulative, gradual or abrupt and accidental; provided, however, that this Exclusion shall not apply if the actual or alleged discharge, dispersal, release or escape of any substance(s) that results in "Acidic Deposition" is accidental, abrupt, has a continuous duration of less than twenty-four (24) consecutive hours and results from a malfunction of the INSURED's equipment; but only if any such discharge, dispersal, release or escape manifests itself at the time it takes place and becomes known to the INSURED within seven (7) days thereafter and is reported to the COMPANY within sixty (60) days after such incident. The INSURED shall have the burden of proving that this exception to the Exclusion applies.
- (2) for POLLUTION LIABILITY in connection with the ownership or operation by an INSURED of a facility or site for disposal, dumping, burying, "Storage", incineration or treatment of POLLUTANTS;

however, this Section (2) shall not apply to a facility which incinerates refuse for the purpose of generating usable energy.

- (3) for any POLLUTION LIABILITY, cost or expense arising out of any testing for or monitoring, clean-up, containment, treatment, detoxification or neutralization of POLLUTANTS on or the removal thereof from:
  - (a) property owned or occupied by or rented to the INSURED;
  - (b) property used by the INSURED; or
  - (c) property in the care, custody or control of the INSURED or as to which the INSURED is for any purpose exercising physical control.

This Exclusion, however, shall not apply to POLLUTION LIABILITY arising out of an OCCURRENCE taking place during and in the course of the physical transport (but not including the loading or unloading of any transporting conveyance) of POLLUTANTS from premises owned, used or occupied by or rented to the INSURED, subsequent to the "Disposal" of such POLLUTANTS at such premises, to a different site for the purpose of another "Disposal" of such POLLUTANTS, provided that such OCCURRENCE manifests itself at the time it takes place and becomes known to the INSURED within seven (7) days thereafter and is reported to the COMPANY within sixty (60) days after such OCCURRENCE.

The term "Acidic Deposition", as used in this Exclusion, means the deposition from the air of any acidic substance(s) or any substance that results in the formation of any acidic substance(s) after deposition from the air, whether such substance(s) is wet or dry or a mixture thereof, whether or not the substance has been chemically transformed in the air, and without regard to the size of the substance(s) or the distance from its source.

The term "Disposal", as used in this Exclusion, shall mean the completion of any physical transfer of POLLUTANTS or of any substance, material or equipment containing POLLUTANTS for the purpose of disposal, dumping, burying, "Storage", incineration or treatment to remove, detoxify or neutralize the hazardous properties thereof, whether or not such physical transfer has been made to or from a place on or off premises owned, occupied, rented or controlled by an INSURED.

The term "Storage", as used in this Exclusion, shall mean the permanent holding or temporary holding for a period of twelve (12) months or more, either above or below ground, of POLLUTANTS or of any substance, material or equipment containing POLLUTANTS; however, the term "Storage" shall not mean the holding of fuels or materials in the ordinary course of the INSURED'S business.

- (G) for any expense incurred by the INSURED in regaining control of any well if the INSURED has an ownership and/or operating interest and/or contractual responsibility in or for such well; however, this Exclusion shall not apply to the expense of regaining control of a well, the property of others, for which the INSURED may become liable.
- (H) for any obligation for which the INSURED, or any carrier as his insurer, may be held liable under any workers' compensation law, including statutory occupational disease benefits and United States Longshoremen's and Harbor Workers' Act, unemployment compensation or disability benefits laws, or under any other similar law.
- (I) for liability of an INSURED of any nature whatsoever which is attributable or related to BODILY INJURY to any employee of such INSURED arising out of the employment of such employee; however, this Exclusion (I) and the Nuclear Energy Liability Exclusion (Broad Form) shall not apply to EMPLOYER'S LIABILITY, to liability under the Federal Employer's Liability Act or to liability under the Jones Act if a specific UNDERLYING LIMIT is stated in the Underlying Limits Schedule with respect to such liability. This Exclusion (I) shall not apply to liability assumed by the INSURED under CONTRACT.
- (J) for any fines or penalties imposed by final adjudication of a court of competent jurisdiction or any agency or commission possessing quasi-judicial authority.
- (K) for liability of any INSURED for BODILY INJURY, PERSONAL INJURY or PROPERTY DAMAGE caused intentionally by or at the direction of such INSURED; however, this Exclusion shall not apply with respect to BODILY INJURY, PERSONAL INJURY or PROPERTY DAMAGE which occurs while safeguarding, preserving, protecting or defending any person or property.
- (L) for liability arising out of any applicable state uninsured motorists or underinsured motorists law; however, this Exclusion shall not apply in any jurisdiction where it is contrary to law. In jurisdictions

where this Exclusion is contrary to law, this POLICY shall be deemed to be amended to provide the minimum amount of uninsured and/or underinsured motorists coverage required by law applicable to this POLICY.

- (M) (1) for liability for such CLAIM(S) which arise from any circumstance if any INSURED has given notice of such circumstance under any policy or any discovery period thereof, which policy expired prior to or upon the inception of this POLICY; or
  - (2) where such CLAIM is one of a number of CLAIMS which result from a single OCCURRENCE if any of such multiple CLAIMS was made against the INSURED during any policy or any discovery period thereof, which policy expired prior to or upon the inception of this POLICY.
  - (N) for liability because of any OCCURRENCE prior to the RETROACTIVE DATE.
  - (O) for any liability of the INSURED directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority; except this Exclusion shall not apply to any OCCURRENCES taking place in the United States of America, its territories, possessions, territorial sea or exclusive economic zone established by Presidential Proclamation No. 5030 dated March 10, 1983, or Canada.
  - (P) for liability resulting from the rendering or failure to render the following services by an INSURED:
    - (1) medical, surgical, dental, X-ray or nursing services or treatment, or the furnishing of food or beverages in connection therewith; or
    - (2) the furnishing or dispensing of drugs or medical, surgical or dental supplies or appliances.
- This Exclusion, however, shall not apply to any liability arising out of MEDICAL MALPRACTICE INJURY.

#### **IV. CONDITIONS**

##### ***(A) Cross Liability***

In the event of any CLAIM for damages for BODILY INJURY, PERSONAL INJURY or PROPERTY DAMAGE being made by an INSURED hereunder against any other INSURED hereunder, this POLICY shall cover such other INSURED against which the CLAIM is made in the same manner as if separate policies had been issued to each INSURED; provided, however, that no employee of one INSURED shall be construed to be an employee of any other INSURED, unless at the time of injury or death, there exists a relationship of master/servant between such employee and such other INSURED.

Nothing contained in the foregoing nor in any subsequent Endorsement either naming additional INSUREDS or adding more than one entity as a NAMED INSURED shall have the effect of increasing the COMPANY'S Limits of Liability beyond that stated in Item 5 of the Declarations.

##### ***(B) Non-Duplication of Limits***

In order to avoid the duplication of the COMPANY'S Limit of Liability applying to any one OCCURRENCE:

- (1) in the event the COMPANY provides INDEMNITY or DEFENSE COSTS under this POLICY for an OCCURRENCE, the INSURED shall have no right to additional INDEMNITY or DEFENSE COSTS for such OCCURRENCE under any other policy issued by the COMPANY to the NAMED INSURED, and only this POLICY shall apply to such OCCURRENCE regardless of the number of other policies that otherwise could apply to such OCCURRENCE; and
- (2) in the event the COMPANY shall provide INDEMNITY or DEFENSE COSTS for an OCCURRENCE under any other policy issued by the COMPANY to the NAMED INSURED, the INSURED shall have no right to additional INDEMNITY or DEFENSE COSTS for such OCCURRENCE under this POLICY.

(C) *Notice of Claim or Circumstances*

As a condition precedent to rights under this POLICY, the INSURED shall as soon as practicable give the COMPANY:

- (1) written notice of any CLAIM estimated by the INSURED to involve ULTIMATE NET LOSS in excess of fifty percent (50%) of the UNDERLYING LIMITS shown in Item 6 of the Declarations, or
- (2) NOTICE OF CIRCUMSTANCES for any OCCURRENCE or circumstances likely to give rise to a CLAIM to which Condition (C)(1) would apply,

and such information and cooperation as the COMPANY may reasonably require. Neither the Application for this POLICY or any Endorsement or for any renewals thereof nor any information contained therein shall constitute a notice of CLAIM or NOTICE OF CIRCUMSTANCES.

(D) *Warranty*

The NAMED INSURED warrants and agrees as follows:

- (1) it has no knowledge at POLICY inception of any fact or circumstance not disclosed to the COMPANY in the Application for this POLICY which is likely to give rise to a CLAIM hereunder; and
- (2) that, based upon reasonable inquiry and to the best of its knowledge and belief:
  - (a) all information provided to the COMPANY in the Application for this POLICY is true and correct; and
  - (b) no material information has been withheld.

(E) *Cooperation and Settlements*

When there is an OCCURRENCE which may involve this POLICY, the NAMED INSURED may, without prejudice as to liability, proceed immediately with settlements which in their aggregate do not exceed the UNDERLYING LIMITS. The NAMED INSURED shall advise the representatives of the COMPANY of any such settlements made.

The INSURED shall cooperate with the underlying insurer(s), as required by the terms and conditions of the underlying policy or policies, and shall enforce any right of contribution or indemnity against any person or organization who may be liable to the INSURED because of BODILY INJURY, PROPERTY DAMAGE or PERSONAL INJURY with respect to which insurance is afforded under this POLICY or the underlying policy or policies.

The COMPANY shall not be called upon to assume charge of the settlement or defense of any CLAIM made against the INSURED, but the COMPANY shall have the right and shall be given the opportunity to associate with the INSURED, or the INSURED'S underlying insurer(s), or both, in the defense and control of any CLAIM where the CLAIM involves or may involve the COMPANY, in which event the INSURED and the COMPANY shall cooperate in all things in the defense of such CLAIM.

In the event that the COMPANY, in its sole discretion, chooses to exercise its rights pursuant to this Condition, no action taken by the COMPANY in the exercise of such rights shall serve to modify or expand, in any manner, the COMPANY'S liability or obligations under this POLICY beyond what the COMPANY'S liability or obligations would have been had it not exercised its rights under this Condition. Furthermore, in the event that one or more of the INSURED'S underlying insurers becomes insolvent or financially impaired or refuses to pay a claim or defend the INSURED, and the COMPANY exercises its rights under this Condition, such action by the COMPANY shall not serve to expand or modify in any way the COMPANY'S liability or obligations to the INSURED. The COMPANY'S liability and obligations to the INSURED shall continue as set forth in this POLICY and shall be without regard to the financial impairment or insolvency of an underlying insurer or the failure of an underlying insurer to pay any claim or defend the INSURED for any reason whatsoever.

The INSURED and its underlying insurer(s) shall, at all times, use diligence and prudence in the investigation, settlement and defense of all demands, suits or other proceedings.

(F) *Appeals*

In the event that the INSURED or the INSURED'S underlying insurer(s) elects not to appeal a judgment in excess of the UNDERLYING LIMITS, the COMPANY may elect to conduct such appeal at its own cost and expense and shall be liable for the taxable court costs and disbursements and interest on judgments incidental thereto; provided, however, in no event shall the total liability of the COMPANY exceed its Limits of Liability as stated in Item 5 of the Declarations, plus the cost and expense of such appeal.

(G) *Bankruptcy or Insolvency*

Bankruptcy or insolvency of the INSURED shall not relieve the COMPANY of any of its obligations hereunder.

(H) *Other Insurance*

If other valid and collectible insurance with any other insurer, whether such insurance is issued before, concurrently with, or after the inception of this POLICY, is available to the INSURED covering a CLAIM also covered by this POLICY, other than insurance that is issued specifically as insurance in excess of the insurance afforded by this POLICY, this POLICY shall be in excess of and shall not contribute with such other insurance. Nothing herein shall be construed to make this POLICY subject to the terms of such other insurance.

(I) *Inspection and Audit*

The COMPANY shall be permitted but not obligated to inspect the NAMED INSURED'S property and operations at any time. Neither the COMPANY'S right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the NAMED INSURED or others to determine or warrant that such property or operations are safe or healthful, or are in compliance with any law, rule or regulation.

The COMPANY may examine and audit the NAMED INSURED'S books and records at any time during the POLICY PERIOD and extensions thereof and within three years after the final termination of this POLICY, as far as such books and records relate to the subject matter of this insurance.

(J) *Subrogation*

(1) The COMPANY shall have no right of recovery against any person or organization with respect to any OCCURRENCE to the extent that the INSURED has agreed with such person or organization before the OCCURRENCE to:

(a) waive its right of recovery against such person or organization; or

(b) reimburse such person or organization for the cost attributable to such person's or organization's liability for any OCCURRENCE caused in whole or in part by such person or organization.

(2) Inasmuch as this POLICY is excess insurance, the INSURED'S right of recovery against any person or organization cannot be exclusively subrogated to the COMPANY. It is, therefore, understood and agreed that in case of any payment hereunder, the COMPANY will act in concert with all other interests concerned, (including the INSURED'S) in the exercise of such rights of recovery. The apportioning of any amount which may be so recovered shall follow the principle that any interest (including the INSURED'S) which has paid an amount over and above any payment hereunder, shall first be reimbursed up to the amount paid by it; the COMPANY is then to be reimbursed out of any balance then remaining up to the amount paid hereunder; lastly, the interests (including the INSURED'S) of which this coverage is in excess are entitled to claim the residue, if any. Expenses necessary to the recovery of any such amounts shall be apportioned between the interests concerned (including the INSURED'S), in the proportion of their respective recoveries as finally settled.

(K) *Changes and Assignment*

The terms of this POLICY shall not be waived or changed, nor shall an assignment of interest under this POLICY be binding, except by an Endorsement to this POLICY issued by the COMPANY.

(L) *Maintenance of Underlying Limits*

Any underlying insurance listed on the Underlying Limits Schedule shall be maintained in full force and effect, except for the exhaustion of any underlying aggregate limits of liability, during the currency of this POLICY. Failure of the NAMED INSURED to comply with the foregoing shall not invalidate this POLICY, but in the event of such failure or in the event that an underlying insurer fails to pay or becomes unable to pay because of financial impairment or insolvency or for any other reason, the COMPANY shall only be liable to the same extent as it would have been had the NAMED INSURED complied with this Condition.

(M) *Uncollectibility of Underlying Insurance*

Notwithstanding any of the terms of this POLICY that might be construed otherwise, the insurance provided by this POLICY shall be excess over the stated maximum monetary limits of any underlying insurance listed on the Underlying Limits Schedule, whether collectible or not collectible for any reason including, but not limited to, uncollectibility (in whole or in part) because of the financial impairment or insolvency of an underlying insurer. The risk of uncollectibility (in whole or in part) of such underlying insurance, whether because of financial impairment or insolvency of an underlying insurer or for any other reason, is expressly retained by the INSURED and is not in any way or under any circumstances insured or assumed by the COMPANY.

(N) *Discovery Period*

(1) (a) In the event the COMPANY cancels or refuses to renew this POLICY other than for non-payment of premium, fraud, material misrepresentation or a material change in the nature of the risk insured, the DISCOVERY PERIOD shall be unlimited. An offer by the COMPANY of renewal on terms or premiums different from those in effect during the POLICY PERIOD shall not constitute cancellation or refusal to renew this POLICY.

(b) If, in renewing this POLICY, the COMPANY imposes a lower limit of liability than that in effect during the POLICY PERIOD as stated in Item 5A of the Declarations and the INSURED does renew at the maximum limit of liability offered by the COMPANY, then subject to the provisions of section (5) of this Condition (N), the DISCOVERY PERIOD shall be unlimited with respect to that portion of any CLAIM which is covered by this POLICY but which portion is not covered by the renewal policy because such renewal policy imposed a lower limit of liability than that in effect during the POLICY PERIOD.

(2) In the event of renewal of this POLICY on terms different from those in effect during the POLICY PERIOD (other than a lower limit of liability imposed by the COMPANY, a change in the UNDERLYING LIMITS or the revision of this Condition (N)), or in the event the INSURED cancels or does not renew the POLICY, the DISCOVERY PERIOD shall be either (a) or (b) below:

(a) twelve (12) months, starting with the end of the POLICY PERIOD; or

(b) thirty-six (36) months, starting with the end of the POLICY PERIOD, if the COMPANY issues a DISCOVERY PERIOD Endorsement. The COMPANY shall issue such Endorsement if the NAMED INSURED:

(i) makes a written request for it which the COMPANY receives within sixty (60) days after the effective date of renewal, cancellation or non-renewal as applicable; and

(ii) promptly pays the additional premium for the Endorsement.

The additional premium for the DISCOVERY PERIOD Endorsement shall be as determined by the COMPANY but shall not exceed two hundred percent (200%) of the Premium stated in Item 4 of the Declarations. Such additional premium shall be fully earned when the Endorsement takes effect.



- (3) The DISCOVERY PERIOD shall not reinstate or increase the COMPANY'S Limits of Liability or extend the POLICY PERIOD and shall apply only with respect to OCCURRENCES during the COVERAGE PERIOD.
- (4) The DISCOVERY PERIOD shall not be cancellable by the COMPANY except for non-payment of premium where applicable or for fraud or material misrepresentation.
- (5) The DISCOVERY PERIOD shall not apply to any claim or any part of any claim which is covered by a subsequent insurance policy issued by the COMPANY or by any other insurer or would be covered but for the exhaustion of the applicable limit of liability of such subsequent insurance policy; except, however, that the DISCOVERY PERIOD shall apply to any claim which is covered by a subsequent insurance policy issued by the COMPANY where such DISCOVERY PERIOD arises under section (1) (b) of this Condition (N) because of the imposition of a lower limit of liability under such subsequent insurance policy; provided, however, that the maximum amount payable by the COMPANY under this POLICY for ULTIMATE NET LOSS with respect to any claim covered under such DISCOVERY PERIOD shall be the amount of the difference between the Limit of Liability under this POLICY and the lower limit of liability under the subsequent insurance policy issued by the COMPANY and shall apply excess of the applicable limit of liability of such subsequent insurance policy.

(O) *Currency*

All amounts stated herein are expressed in United States Dollars and all amounts payable hereunder are payable in United States Dollars.

(P) *Sole Agent*

The NAMED INSURED first named in Item 1 of the Declarations shall be deemed the sole agent of each INSURED hereunder for the purpose of issuing instructions for any alteration of this POLICY, making premium payments and adjustments, receipting payments of indemnity or receiving notices, including notice of cancellation from the COMPANY.

(Q) *Cancellation*

This POLICY may be cancelled:

- (1) at any time by the NAMED INSURED by mailing written notice to the COMPANY stating when thereafter cancellation shall be effective; or
- (2) at any time by the COMPANY by mailing written notice to the NAMED INSURED stating when, not less than ninety (90) days from the date notice was mailed, cancellation shall be effective; except, in the event of cancellation for non-payment of premiums, such cancellation shall become effective ten (10) days after the notice was mailed.

Proof of mailing of notice to the respective addresses in Items 7 and 8 of the Declarations shall be sufficient proof of notice and the POLICY PERIOD shall end on the effective date and hour of cancellation stated in the notice. Delivery of such notice either by the NAMED INSURED or the COMPANY shall be equivalent to mailing.

In the event of cancellation by the INSURED, the premium retained by the COMPANY shall be calculated in accordance with the COMPANY'S short rate table which shall be made available to the INSURED upon request. In the event of cancellation by the COMPANY, the premium retained by the COMPANY shall be calculated on a pro-rata basis.

The offer by the COMPANY of renewal on terms or premiums different from those in effect during the POLICY PERIOD shall not constitute cancellation or refusal to renew this POLICY.

(R) *Dispute Resolution and Service of Suit*

Any controversy or dispute arising out of or relating to this POLICY, or the breach, termination or validity thereof, shall be resolved in accordance with the procedures specified in this Section IV.(R), which shall be the sole and exclusive procedures for the resolution of any such controversy or dispute.

- (1) *Negotiation.* The INSURED and the COMPANY shall attempt in good faith to promptly resolve any controversy or dispute arising out of or relating to this POLICY by negotiations between executives who have authority to settle the controversy. Any party may give the other party written notice of any dispute not resolved in the normal course of business. Within fifteen (15) days the receiving party

shall submit to the other a written response. The notice and the response shall include: (a) a statement of each party's position and a summary of arguments supporting that position; and (b) the name and title of the executive who will represent that party and of any other person who will accompany the executive. Within thirty (30) days after delivery of the disputing party's notice, the executives of both parties shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to attempt to resolve the dispute. All reasonable requests for information made by one party to the other will be honored. If the matter has not been resolved within sixty (60) days of the disputing party's notice, or if the parties fail to meet within thirty (30) days, either party may initiate mediation of the controversy or claim as provided hereinafter.

All negotiations pursuant to this clause will be kept confidential and shall be treated as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and state rules of evidence.

- (2) Mediation. If the dispute has not been resolved by negotiation as provided herein, the parties shall endeavor to settle the dispute by mediation under the last published Model Procedure for Mediation of Business Disputes of the International Institute for Conflict Prevention and Resolution ("CPR Institute") or any successor. Unless otherwise agreed, the parties will select a neutral third party from the CPR Institute Panels of Distinguished Neutrals, with the assistance of the CPR Institute.
- (3) Arbitration. Any controversy or dispute arising out of or relating to this POLICY, or the breach, termination or validity thereof, which has not been resolved by non-binding means as provided herein within ninety (90) days of the initiation of such procedure, shall be settled by binding arbitration in accordance with the last published CPR Institute Rules for Non-Administered Arbitration of Business Disputes (the "CPR Rules") by three (3) independent and impartial arbitrators. The INSURED and the COMPANY each shall appoint one arbitrator; the third arbitrator, who shall serve as the chair of the arbitration panel, shall be appointed in accordance with the CPR Rules. If either the INSURED or the COMPANY has requested the other to participate in a non-binding procedure and the other has failed to participate, the requesting party may initiate arbitration before expiration of the above period. The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. §§ 1 et seq., and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The terms of this POLICY are to be construed in an evenhanded fashion as between the INSURED and the COMPANY in accordance with the laws of the jurisdiction in which the situation forming the basis for the controversy arose. Where the language of this POLICY is deemed to be ambiguous or otherwise unclear, the issue shall be resolved in a manner most consistent with the relevant terms of this POLICY without regard to authorship of the language and without any presumption or arbitrary interpretation or construction in favor of either the INSURED or the COMPANY. In reaching any decision, the arbitrators shall give due consideration for the customs and usages of the insurance industry. The arbitrators are not empowered to award damages in excess of compensatory damages and each party hereby irrevocably waives any such damages.

In the event of a judgment being entered against the COMPANY on an arbitration award, the COMPANY, at the request of the NAMED INSURED, shall submit to the jurisdiction of any court of competent jurisdiction within the United States of America, and shall comply with all requirements necessary to give such court jurisdiction and all matters relating to such judgment and its enforcement shall be determined in accordance with the law and practice of such court.

- (4) Service of Suit. Service of process in such suit or any other suit instituted against the COMPANY under this POLICY may be made upon AEGIS Insurance Services, Inc., 1 Meadowlands Plaza, East Rutherford, NJ 07073. The COMPANY will abide by the final decision of the court in such suit or of any appellate court in the event of any appeal. AEGIS Insurance Services, Inc. is authorized and directed to accept service of process on behalf of the COMPANY in any such suit and, upon the NAMED INSURED'S request, to give a written undertaking to the NAMED INSURED that they will enter a general appearance upon the COMPANY'S behalf in the event such suit is instituted. Nothing in this clause constitutes or should be understood to constitute a waiver of the COMPANY'S right to commence an action in any court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek to transfer a case to another court as permitted by the laws of the United States or of any state in the United States.

(S) *Severability*

In the event that any provision of this POLICY shall be declared or deemed to be invalid or unenforceable under any applicable law, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining portion of this POLICY.

(T) *Non-Assessability*

The NAMED INSURED (and, accordingly, any INSURED for which it acts as agent) shall only be liable under this POLICY for the premium stated in Item 4 of the Declarations. No INSURED shall be subject to any contingent liability or be required to pay any dues or assessments in addition to the premium described above.

IN WITNESS WHEREOF, Associated Electric & Gas Insurance Services Limited has caused this POLICY to be signed by its President and Chief Executive Officer at Hamilton, Bermuda, but this POLICY shall not be binding upon the COMPANY unless countersigned hereunder by a duly authorized representative of the COMPANY.



Alan J. Maguire, President  
and Chief Executive Officer

# ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED

## UNDERLYING LIMITS SCHEDULE

### SCHEDULE NO. 1

This schedule is attached to and forms a part of Item 6 of the Declarations of POLICY No. XL5044803P and lists all underlying insurance or self-insured retentions maintained by the NAMED INSURED effective this 1st day of November, 2013 at 12:01 A.M. Local Time at the address of the NAMED INSURED.

#### **Insured or Uninsured**

- \$ 3,000,000 any one OCCURRENCE - General Liability
- \$ 3,000,000 any one OCCURRENCE - Pollution Liability
- \$ 3,000,000 any one OCCURRENCE - Automobile Liability
- \$ 3,000,000 any one OCCURRENCE - Watercraft Liability
- \$ 2,000,000 any one OCCURRENCE - Jones Act
- \$ 2,000,000 any one OCCURRENCE - Federal Employer's Liability Act
- \$ 3,000,000 any one OCCURRENCE - Standards Board Activity
- \$ 3,000,000 any one OCCURRENCE - Community Service Activity
- \$ 3,000,000 any one OCCURRENCE - Care Custody & Control.
- \$ 3,000,000 any one OCCURRENCE - Emergency Assistance Agreement
- \$100,000,000 any one OCCURRENCE - Aircraft Liability
- \$ 3,000,000 each claimant/\$3,000,000 any one OCCURRENCE - Employment Practices Liability
- \$ 1,000,000 any one OCCURRENCE - Employer's Liability
- \$ 57,000,000 any one OCCURRENCE - General Liability  
As respects Entergy Corporation in the Louisiana Station Plant
- \$ 57,000,000 any one OCCURRENCE - Pollution Liability  
As respects Entergy Corporation in the Louisiana Station Plant
- \$ 1,000,000 any one OCCURRENCE - General Liability  
As respects Baxter Wilson Generation Station

## ASSOCIATED ELECTRIC &amp; GAS INSURANCE SERVICES LIMITED

**UNDERLYING LIMITS SCHEDULE****SCHEDULE NO. 1**

\$ 15,000,000 any one OCCURRENCE - General Liability  
As respects Top Deer Wind Ventures, LLC

\$ 15,000,000 any one OCCURRENCE - Pollution Liability  
As respects Top Deer Wind Ventures, LLC

\$ 10,000,000 any one OCCURRENCE - Railroad Liability



---

Signature of Authorized Representative

# ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED

Endorsement No. 1

Effective date of Endorsement November 1, 2013

Attached to and forming part of POLICY No. XL5044803P

NAMED INSURED Entergy Corporation

It is understood and agreed that this POLICY is hereby amended as indicated. All other terms and conditions of this POLICY remain unchanged.

## NUCLEAR ENERGY LIABILITY EXCLUSION (BROAD FORM)

It is agreed that:

I. This POLICY does not apply:

(A) Under any Liability Coverage, to BODILY INJURY or PROPERTY DAMAGE:

- (1) with respect to which an INSURED under this POLICY is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) resulting from the **hazardous properties** of **nuclear material** and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the INSURED is, or had this POLICY not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

(B) Under any Medical Payments Coverage, or under any Supplementary Payments provision relating to immediate medical or surgical relief, to expenses incurred with respect to BODILY INJURY resulting from the **hazardous properties** of **nuclear material** and arising out of the operation of a nuclear facility by any person or organization.

(C) Under any Liability Coverage, to BODILY INJURY or PROPERTY DAMAGE resulting from the **hazardous properties** of **nuclear material** if:

- (1) the **nuclear material** (a) is at any **nuclear facility** owned by, or operated by or on behalf of an INSURED or (b) has been discharged or dispersed therefrom;
- (2) the **nuclear material** is contained in **spent fuel** or **waste** at any time possessed, handled, used, processed, sorted, transported or disposed of by or on behalf of an INSURED; or
- (3) the BODILY INJURY or PROPERTY DAMAGE arises out of the furnishing by an INSURED of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **nuclear facility**, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to PROPERTY DAMAGE to such **nuclear facility** and any property thereat.

II. As used in this Endorsement:

"**hazardous properties**" include radioactive, toxic or explosive properties;

"**nuclear material**" means **source material**, **special nuclear material** or **byproduct material**;

## NUCLEAR ENERGY LIABILITY EXCLUSION (BROAD FORM)

"**source material**", **special nuclear material** and **byproduct material** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"**spent fuel**" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**;

"**waste**" means any waste material (1) containing **byproduct material** other than the tailings or "**wastes**" produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **source material** content, and (2) resulting from the operation by any person or organization of any **nuclear facility** included under the first two paragraphs of the definition of **nuclear facility**;

"**nuclear facility**" means:

- (a) any **nuclear reactor**;
- (b) any equipment or device designed or used for (i) separating the isotopes of uranium or plutonium, (ii) processing or utilizing **spent fuel**, or (iii) handling, processing or packaging **waste**,
- (c) any equipment or device used for the processing, fabricating or alloying of **special nuclear material** if at any time the total amount of such material in the custody of the INSURED at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235, or
- (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **waste**,

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"**nuclear reactor**" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

"PROPERTY DAMAGE" includes all forms of radioactive contamination of property.



Signature of Authorized Representative

## ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED

Endorsement No. 2

Effective date of Endorsement November 1, 2013

Attached to and forming part of POLICY No. XL5044803P

NAMED INSURED Entergy Corporation

It is understood and agreed that this POLICY is hereby amended as indicated. All other terms and conditions of this POLICY remain unchanged.

### EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT

**EXPLANATORY NOTE:** This Endorsement modifies the POLICY by providing coverage for **WRONGFUL EMPLOYMENT PRACTICES**, subject to the limitations set forth below and in the POLICY of which this Endorsement forms a part.

### SUPPLEMENTAL DECLARATIONS

- Item 1:** Aggregate Limit of Liability: \$35,000,000
- Item 2:** Self-Insured Retention  
A. Self-Insured Retention Each Claimant: \$3,000,000  
B. Self-Insured Retention Each OCCURRENCE: \$3,000,000
- Item 3:** Coinsurance Percentage: 0 %
- Item 4:** Pending or Prior Date: November 1, 1996

### ENDORSEMENT

(A) The following paragraph is added to Definition (T), PERSONAL INJURY:

The term "PERSONAL INJURY" shall also mean any injury (other than BODILY INJURY or PROPERTY DAMAGE) arising out of one or more WRONGFUL EMPLOYMENT PRACTICE(S) committed during the COVERAGE PERIOD.

For purposes of this Endorsement only, PERSONAL INJURY shall include mental anguish, mental illness or emotional upset resulting from, attributable to or associated with a WRONGFUL EMPLOYMENT PRACTICE. The liability of the COMPANY for ULTIMATE NET LOSS because of actual or alleged PERSONAL INJURY in any way resulting from, attributable to or associated with a WRONGFUL EMPLOYMENT PRACTICE shall be subject to the terms and conditions of this Endorsement.

(B) The following Definitions apply to the coverage provided by this Endorsement:

- (1) WRONGFUL EMPLOYMENT PRACTICE: The term "WRONGFUL EMPLOYMENT PRACTICE" shall mean:
- (a) DISCRIMINATION,
  - (b) SEXUAL HARASSMENT;
  - (c) WRONGFUL TERMINATION/FAILURE TO PROMOTE; and
  - (d) EMPLOYMENT TORT.



## EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT

(2) **DISCRIMINATION:** The term "DISCRIMINATION" shall mean:

- (a) the failure or refusal to hire or employ an applicant for employment;
- (b) the failure to promote a current employee;
- (c) the termination or demotion of a current employee; or
- (d) treatment of an applicant for employment or current employee in a disparate manner from other similarly-situated applicants or employees in respect to a term, condition, benefit or privilege of employment

based on the applicant's or employee's race, color, creed, citizenship, national origin, religion, age, sex, disability or pregnancy, or in violation of any equivalent protection or rights which have been conferred on any group or individual protecting them against employment discrimination under federal, state or local law. DISCRIMINATION shall also include any retaliation by the employer or the employer's agent against an applicant or employee who complains of DISCRIMINATION as defined above.

(3) **SEXUAL HARASSMENT:** The term "SEXUAL HARASSMENT" shall mean any sexual advances, requests for sexual favors, or any other verbal or physical conduct of a sexual nature,

- (a) that is made or implied as a condition of employment;
- (b) that uses the submission to or rejection of such conduct as a basis for an employment decision affecting the individual who accepts or rejects such conduct;
- (c) that unreasonably interferes with an individual's work performance; or
- (d) that creates an intimidating, hostile or offensive work environment.

(4) **WRONGFUL TERMINATION/FAILURE TO PROMOTE:** The term "WRONGFUL TERMINATION/FAILURE TO PROMOTE" shall mean the actual or constructive termination of employment, demotion, failure to employ or promote, deprivation of a career opportunity, or employment discipline or evaluation in a manner which violates any local, state or federal law, whether existing by statute or common law, or which breaches any implied contract to continue employment; provided that WRONGFUL TERMINATION/FAILURE TO PROMOTE shall not include termination, failure to employ or promote, deprivation of a career opportunity or employment discipline or evaluation which constitutes DISCRIMINATION or SEXUAL HARASSMENT.

(5) **EMPLOYMENT TORT:** The term "EMPLOYMENT TORT" shall mean the following to the extent such matters are not otherwise included within a WRONGFUL EMPLOYMENT PRACTICE: wrongful reference; employment-related misrepresentation; a publication or an utterance of an employment-related libel, slander or other defamatory or disparaging material; or employment-related invasion of privacy or infliction of emotional distress; employment-related retaliation for asserting a legal right; or negligent hiring, supervision, training or retention of an employee.

(6) **CLAIM:** The term "CLAIM" as used within this Endorsement shall mean:

- (a) any demand, suit or arbitration proceeding by or on behalf of a past, present or prospective employee, volunteer or natural person independent contractor of the NAMED INSURED; or
- (b) an administrative or regulatory proceeding by or with the Equal Employment Opportunity Commission or any similar state or local agency or authority.

against any INSURED for damages arising out of a WRONGFUL EMPLOYMENT PRACTICE; provided "CLAIM" does not include any labor or grievance arbitration or proceeding pursuant to a collective bargaining agreement.

Multiple demands or suits arising out of the same OCCURRENCE shall be deemed to be a single "CLAIM".

## EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT

- (7) **INSURED:** Solely for the purposes of determining coverage under this Endorsement, the term "INSURED" wherever it is used throughout the POLICY shall not include any person or organization described in Section II (L), INSURED, paragraph (2) or (5).
- (C) In addition to the other Exclusions applicable to this POLICY and solely with respect to liability of any INSURED resulting from, attributable to or associated with a **WRONGFUL EMPLOYMENT PRACTICE**, the COMPANY shall not be liable under this POLICY to make any payment for **ULTIMATE NET LOSS** arising from any CLAIM(S) made against any INSURED:
- (1) for any payment in connection with an employee benefit plan, any perquisite or fringe benefit, or any other payment to or for the benefit of an employee, other than salary or wages, which becomes due and arises out of an employment relationship or the equivalent value thereof, provided that this Exclusion shall not apply to that portion of the **ULTIMATE NET LOSS** which constitutes **DEFENSE COSTS** in Definition (BB) of this POLICY;
  - (2) for any actual or alleged violation of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974 (ERISA), other than Sec. 510, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the Fair Labor Standards Act (except the Equal Pay Act of 1963, as amended), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act (WARN Act) or the Occupational Safety and Health Act (OSHA), including any amendments to and any rules or regulations promulgated under any of the foregoing, or provisions of any similar federal, state or local law. This exclusion shall not apply to any such violation based upon, arising from or in consequence of unlawful retaliation against an employee, prospective employee or former employee on account of said person's actual or attempted exercise of any right or privilege under any such law;
  - (3) for any obligation which the INSURED, or any carrier as his insurer, may be held liable under any workers' compensation law, including statutory occupational disease benefits and United States Longshoremen's and Harbor Workers' Act, unemployment compensation or disability benefits laws or under any other similar law, provided that this exclusion shall not apply to any unlawful retaliation against an employee, prospective employee or former employee on account of said person's actual or attempted exercise of any right or privilege under any such law;
  - (4) for any relief other than monetary damages;
  - (5) where, at the Effective Date of this Endorsement, the general counsel, risk manager, director of human resources of the NAMED INSURED or the signer of the Application for the coverage afforded by this Endorsement had knowledge of a fact or circumstance which was reasonably likely to give rise to such CLAIM(S) arising from **WRONGFUL EMPLOYMENT PRACTICE(S)** and such fact or circumstance was not disclosed or was misrepresented in the Application for this Endorsement, except an Application for Renewal;
  - (6) based upon, arising from or in consequence of any pending or prior civil or criminal litigation or charge or complaint filed with an administrative agency against an INSURED as of the date listed in item (4) of the Supplemental Declarations to this Endorsement alleging **WRONGFUL EMPLOYMENT PRACTICE(S)**;
  - (7) for the liability of any individual INSURED for any deliberately fraudulent, deliberately criminal or deliberately malicious act or omission of such INSURED if a final and non-appealable adjudication establishes such deliberate act or omission, provided that this Exclusion shall not apply to that portion of the **ULTIMATE NET LOSS** which constitutes **DEFENSE COSTS** in Definition (BB) of this POLICY;
  - (8) for salary, wages, benefits or any other cost or expense the INSURED shall incur or be required to pay as a result of the reinstatement of a claimant as an employee or the continued employment of such claimant, provided that this Exclusion shall not exclude coverage for any back-pay awarded in connection with a reinstatement;
  - (9) for damages arising from the breach of any express contract of employment or any express obligation to make payments in the event of termination of employment, except to the extent that the INSURED would have been liable in the absence of the contract or agreement;

## EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT

- (10) based upon, arising from, or in consequence of liability of others assumed by the INSURED under any written contract or agreement except to the extent that the INSURED would have been liable in the absence of the contract or agreement; or
- (11) for damages arising from a CLAIM against any person or organization that is not a NAMED INSURED or any officer, director or employee of any organization that is not a NAMED INSURED.
- (D) Solely with respect to coverage for WRONGFUL EMPLOYMENT PRACTICES under this Endorsement, Exclusions (H) and (K) are deleted in their entirety.
- (E) As used in this POLICY, "BODILY INJURY" shall not include any injury which constitutes PERSONAL INJURY as defined in this Endorsement.
- (F) Solely with respect to coverage under this Endorsement:
- (1) Condition (C)(2) is amended so that the INSURED is permitted, but is not required, to give to the COMPANY a NOTICE OF CIRCUMSTANCE as otherwise described in Condition (C).
  - (2) The reference to "damages" in the definition of INDEMNITY in Definition (K) shall include liquidated damages awarded under the Age Discrimination in Employment Act or the Equal Pay Act.
  - (3) The insurability of punitive or liquidated damages under this POLICY shall be determined under the internal laws of any applicable jurisdiction most favorable to the INSURED, including without limitation the jurisdiction in which the INSURED, the COMPANY or the CLAIM is located or in which the WRONGFUL EMPLOYMENT PRACTICE occurred.
- (G) The COMPANY shall be liable only for ULTIMATE NET LOSS because of damages for PERSONAL INJURY as defined in this Endorsement in excess of the Self-Insured Retention as stated in Item 2 of the Supplemental Declarations. The Self-Insured Retention applicable for each Claimant shall be the amount set forth in Item 2(A) of the Supplemental Declarations to this Endorsement with respect to each OCCURRENCE, but not more than the amount set forth in Item 2(B) of the Supplemental Declarations to this Endorsement for all such Claimants with respect to each OCCURRENCE. As used in this Endorsement, "Claimant" shall mean each individual who asserts a CLAIM, or on whose behalf a CLAIM is asserted, whether individually or as a member of a group of named Claimants or class of Claimants.
- (H) The maximum amount payable by the COMPANY in the aggregate for the POLICY PERIOD (including all DISCOVERY PERIODS) for all ULTIMATE NET LOSS because of damages for PERSONAL INJURY as defined in this Endorsement shall be the amount stated as the Aggregate Limit of Liability in the Supplementary Declarations of this Endorsement.
- (I) With respect to all ULTIMATE NET LOSS because of damages for PERSONAL INJURY as defined in this Endorsement in excess of the applicable Self-Insured Retention, it is a condition of this insurance that the INSURED shall be uninsured and shall bear the risk of loss for that percentage of all such ULTIMATE NET LOSS stated as the Coinsurance Percentage in Item 3 of the Supplemental Declaration. The COMPANY shall be liable hereunder only for the remaining percentage of all such ULTIMATE NET LOSS, subject to the Aggregate Limit of Liability.
- (J) This Endorsement is issued in reliance upon all statements made and the information furnished to the COMPANY by the Application for this Endorsement, which shall be considered incorporated herein and constituting part of this POLICY.



---

Signature of Authorized Representative

## ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED

Endorsement No. 3

Effective date of Endorsement November 1, 2013

Attached to and forming part of POLICY No. XL5044803P

NAMED INSURED Entergy Corporation

It is understood and agreed that this POLICY is hereby amended as indicated. All other terms and conditions of this POLICY remain unchanged.

### CARE, CUSTODY AND CONTROL ENDORSEMENT

In consideration of the additional premium included in the POLICY Premium stated in Item 4 of the Declarations, it is understood and agreed that, notwithstanding anything contained in this POLICY, or any Endorsement thereto, to the contrary, except for section (3) of Exclusion (F) of this POLICY, this POLICY is hereby amended as follows:

With respect to any CLAIM(S) arising from non-marine exposures only, Exclusion (B) of this POLICY is deleted and replaced as follows:

(B) for PROPERTY DAMAGE to:

- (1) property owned by the INSURED;
- (2) property leased by or rented to the INSURED for a period (including any extensions or renewals) of more than one hundred eighty (180) days;
- (3) the INSURED'S PRODUCTS arising out of such products or any part of such products; or
- (4) work performed by or on behalf of the INSURED arising out of such work or any portion thereof, or out of materials, parts or equipment furnished in connection therewith. With respect to COMPLETED OPERATIONS LIABILITY, this Exclusion (B) (4) does not apply if the damaged work or the work out of which the damage arises was performed on behalf of the INSURED by a subcontractor.



Signature of Authorized Representative

## ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED

Endorsement No. 4

Effective date of Endorsement November 1, 2013

Attached to and forming part of POLICY No. XL5044803P

NAMED INSURED Entergy Corporation

It is understood and agreed that this POLICY is hereby amended as indicated. All other terms and conditions of this POLICY remain unchanged.

### COMMUNITY SERVICE ACTIVITY ENDORSEMENT

**EXPLANATORY NOTE: This Endorsement extends coverage to employees performing certain community service activity at the request of the NAMED INSURED in the manner and subject to the limitations set forth below and in the POLICY of which this Endorsement forms part.**

Definition (L) "INSURED" is amended to include as an INSURED any employee of the NAMED INSURED while acting within the scope of his duties for, or specific function at, a COMMUNITY SERVICE ORGANIZATION, service for or at which has been specifically requested by the NAMED INSURED and is performed without compensation other than reimbursement of expenses and nominal per diem allowances (honorariums), subject to the following provisions:

- (A) With respect to ULTIMATE NET LOSS for which such INSURED becomes liable and for which the NAMED INSURED is not required or permitted by applicable common law, statutory law, its corporate Charter or Bylaws or other arrangement to indemnify such INSURED, the UNDERLYING LIMIT shall be zero and not as set forth in Item 6 of the Declarations to this POLICY.
- (B) In addition to the other Exclusions applicable to this POLICY and solely with respect to liability of any INSURED arising out of an employee's activities or duties for, or function at, a COMMUNITY SERVICE ORGANIZATION at the specific request of the NAMED INSURED, this POLICY shall not apply and the COMPANY shall not be liable to make any payment for ULTIMATE NET LOSS with respect to any CLAIM(S) made against any INSURED for any liability of any INSURED based upon, arising out of or attributable to:
  - (1) the rendering of or failure to render any service of a professional nature, including but not limited to the rendering of or failure to render: any medical, surgical, dental, x-ray or nursing service or treatment, including the furnishing of food or beverages in connection therewith; any service or treatment intended to be conducive to health; the furnishing or dispensing of drugs or medical, surgical or dental supplies or appliances; professional services by architects, engineers, surveyors, accountants, lawyers or insurance agents or brokers; or data processing services; and
  - (2) for liability based upon, arising out of or attributable to any actual, alleged or threatened discharge, dispersal, release or escape of any POLLUTANTS, into or upon any person, thing or place including land, atmosphere, any man-made structure and any above or below ground watercourse or body of water.
- (C) For the purposes of this Endorsement, the term "COMMUNITY SERVICE ORGANIZATION" means an organization, no part of the income or assets of which are distributable to its owners, stockholders or members and which is formed and operated to promote the welfare of a community and not for the pecuniary profit or financial gain of its owners, stockholders or members.

**COMMUNITY SERVICE ACTIVITY ENDORSEMENT**

- (D) If any INSURED is undertaking or has undertaken at the specific request of the NAMED INSURED any activity for or at a COMMUNITY SERVICE ORGANIZATION, the coverage afforded by this POLICY:
- (1) shall be specifically excess of any other indemnity or insurance available to such INSURED by reason of such activity; and
  - (2) shall not be construed to extend to the COMMUNITY SERVICE ORGANIZATION for or at which the INSURED is undertaking or has undertaken any activity, nor to any other director, officer or employee of, or acting for, such entity.
- (E) Nothing in this Endorsement shall reinstate, increase or in any way expand the COMPANY'S Limits of Liability as set forth in Section I.(B) of the POLICY.



Signature of Authorized Representative

## ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED

Endorsement No. 5

Effective date of Endorsement November 1, 2013

Attached to and forming part of POLICY No. XL5044803P

NAMED INSURED Entergy Corporation

It is understood and agreed that this POLICY is hereby amended as indicated. All other terms and conditions of this POLICY remain unchanged.

### STANDARDS BOARD ACTIVITY ENDORSEMENT

**EXPLANATORY NOTE: This Endorsement extends coverage to employees serving on STANDARDS BOARDS at the request of the NAMED INSURED in the manner and subject to the limitations set forth below and in the POLICY of which this Endorsement forms part.**

STANDARDS BOARD Activity Aggregate Limit of Liability for the POLICY PERIOD: \$35,000,000 subject to the General Aggregate Limit set forth in Section I.(B)(2) of the POLICY.

Definition (L) "INSURED" is amended to include as an INSURED any employee of the NAMED INSURED while acting within the scope of his duties for, or specific function on, a STANDARDS BOARD, service for or on which has been specifically requested or authorized by the NAMED INSURED and is performed without compensation other than reimbursement of expenses and nominal per diem allowances (honorariums), subject to the following provisions:

- (A) For the purposes of coverage for activities undertaken by an employee for or on a STANDARDS BOARD as provided in this Endorsement, Definition (T) PERSONAL INJURY shall be deleted in its entirety and replaced with the following:

The term "PERSONAL INJURY" shall mean any injury (other than BODILY INJURY or PROPERTY DAMAGE) arising out of any actual or alleged neglect, error, misstatement, misleading statement or omission actually or allegedly caused, committed or attempted by an employee while acting within the scope of his duties for, or specific function on, a STANDARDS BOARD at the specific request or authorization of the NAMED INSURED.

- (B) With respect to ULTIMATE NET LOSS for which such INSURED becomes liable for which the NAMED INSURED is not required or permitted by applicable common law, statutory law, its corporate Charter or Bylaws or other arrangement to indemnify such INSURED, the UNDERLYING LIMIT shall be zero and not as set forth in Item 6 of the Declarations to this POLICY.
- (C) The maximum amount payable by the COMPANY under this POLICY (including this Endorsement) in the aggregate for all ULTIMATE NET LOSS by reason of liability of any INSURED arising out of an employee's activities or duties for, or position on, a STANDARDS BOARD shall be the amount stated above in this Endorsement as the Aggregate Limit of Liability.
- (D) With respect to ULTIMATE NET LOSS by reason of any OCCURRENCE arising out of an employee's activities or duties for or position on, a STANDARDS BOARD:
- (1) if such OCCURRENCE results in liability being imposed upon one or more INSUREDS under this POLICY and also upon insureds under any other policy issued by the COMPANY to any person or organization; and
  - (2) the total of the ULTIMATE NET LOSS under this POLICY and the ultimate net loss under such other policies issued by the COMPANY equals or exceeds \$35,000,000:

## STANDARDS BOARD ACTIVITY ENDORSEMENT

the maximum amount payable by the COMPANY under this Endorsement and POLICY in the aggregate for all ULTIMATE NET LOSS resulting from such OCCURRENCE shall be the lesser of the Limit of Liability stated above in this Endorsement as the Standards Board Activity Aggregate Limit of Liability, and the product of:

- (a) the Limit of Liability stated above in this Endorsement as the Standards Board Activity Aggregate Limit of Liability divided by the total limits of liability per occurrence applicable to such OCCURRENCE under all policies issued by the COMPANY; and
- (b) \$35,000,000.

If the amount paid under this POLICY with respect to such OCCURRENCE exceeds the INSURED'S proportionate share of the \$35,000,000 as determined above, the INSURED shall refund such excess to the COMPANY promptly.

- (E) In addition to the other Exclusions applicable to this POLICY and solely with respect to liability of any INSURED arising out of an employee's activities or duties for, or position on, a STANDARDS BOARD at the specific request or authorization of the NAMED INSURED, this POLICY shall not apply and the COMPANY shall not be liable to make any payment for ULTIMATE NET LOSS with respect to any CLAIM(S) made against any INSURED for any liability of any INSURED based upon, arising out of or attributable to:
  - (1) an employee, director or officer of the NAMED INSURED acting in the capacity of a director, officer or trustee of a STANDARDS BOARD.
  - (2) BODILY INJURY or PROPERTY DAMAGE.
  - (3) the violation of any responsibility, obligation or duty imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974 or amendments thereto or by similar common or statutory law of the United States of America or any state or other jurisdiction therein.
  - (4) (a) the rendering of advice with respect to;
    - (b) the interpreting of; or
    - (c) the handling of records in connection with the enrollment, termination or cancellation of employees under any group life insurance, group accident or health insurance, pension plans, employee stock subscription plans, workers' compensation, unemployment insurance, social security, disability benefits and any other employee benefit programs.
  - (5) any failure or omission on the part of any INSURED to effect and maintain insurance(s).
  - (6) any CLAIM, if any other policy or policies also afford(s) coverage in whole or in part for such CLAIM(S); except, this exclusion shall not apply:
    - (a) to the amount of ULTIMATE NET LOSS with respect to such CLAIM(S) which is in excess of the limit of liability of such other policy or policies and any applicable deductible or retention thereunder; or
    - (b) with respect to coverage afforded such CLAIM(S) by any other policy or policies purchased or issued specifically as insurance underlying or in excess of the coverage afforded under this POLICY;

provided always that nothing herein shall be construed to cause this POLICY to contribute with any other policy or policies or to make this POLICY subject to any of the terms of any other policy or policies.
  - (7) any CLAIM by, on behalf of, in the right of, at the request of, or for the benefit of any INSURED, any security holder of any INSURED or any STANDARDS BOARD.
  - (8) any liability assumed by the INSURED under CONTRACT, which liability would otherwise not attach.
  - (9) liability arising out of the failure to complete on time, or within a prescribed period of time any work product.
  - (10) any actual, alleged or threatened discharge, dispersal, release or escape of any POLLUTANTS, into or upon any person, thing or place including land, atmosphere, any man-made structure and any above or below ground watercourse or body of water.



## STANDARDS BOARD ACTIVITY ENDORSEMENT

- (11) any liability, if a judgment or other final adjudication adverse to the INSURED establishes that such liability:
- (a) was brought about or contributed to by the active and dishonest, fraudulent, criminal or malicious act or omission of such INSURED material to the cause of action so adjudicated;
  - (b) arose out of the dilution, passing off or infringement of patent, copyright, trademark, service mark or trade name; or
  - (c) arose out of activities in violation of antitrust or monopoly prohibitions, activities in restraint of trade, unfair methods of competition or deceptive acts and practices in trade and commerce, including, without limitation, the Sherman Act, the Clayton Act, the Robinson-Patman Act, the Federal Trade Commission Act, the Hart-Scott Rodino Antitrust Improvements Act and the similar or equivalent laws of the various states or other jurisdictions.
- (F) For the purposes of this Endorsement, the term STANDARDS BOARD means an organization, committee, board, task force or similar body, no part of the income or assets of which are distributable to its owners, stockholders or members and which is formed and operated to study, evaluate, recommend, set, formulate or promulgate standards relating to operations of the NAMED INSURED and not for the pecuniary profit or financial gain of its owners, stockholders or members.
- (G) In addition to the Conditions applicable to this POLICY with respect to this Endorsement, the following shall apply to the coverage provided by this Endorsement:
- (1) The acts, omissions or warranties of any INSURED shall not be imputed to any other INSURED with respect to the coverage applicable under this Endorsement.
  - (2) If any INSURED is undertaking or has undertaken at the specific request or authorization of the NAMED INSURED any activity for or on a STANDARDS BOARD, the coverage afforded by this POLICY:
    - (a) shall be specifically excess of any other indemnity or insurance available to such INSURED by reason of such activity; and
    - (b) shall not be construed to extend to the STANDARDS BOARD in which the INSURED is undertaking or has undertaken any activity, nor to any other director, officer or employee of, or acting for, such entity.
  - (3) Nothing in this Endorsement shall reinstate, increase or in any way expand the COMPANY'S Limits of Liability as set forth in Section I.(B) of this POLICY.



Signature of Authorized Representative

## ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED

Endorsement No. 6

Effective date of Endorsement November 1, 2013

Attached to and forming part of POLICY No. XL5044803P

NAMED INSURED Entergy Corporation

It is understood and agreed that this POLICY is hereby amended as indicated. All other terms and conditions of this POLICY remain unchanged.

### **WATERCRAFT AND AIRCRAFT LIABILITY ENDORSEMENT**

In consideration of the additional premium included in the POLICY Premium stated in Item 4 of the Declarations and, notwithstanding anything contained in this POLICY or any Endorsement thereto to the contrary, this POLICY is hereby amended as follows:

Section III., Exclusions, (A) of this POLICY is deleted in its entirety.



Signature of Authorized Representative

## ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED

Endorsement No. 7

Effective date of Endorsement November 1, 2013

Attached to and forming part of POLICY No. XL5044803P

NAMED INSURED Entergy Corporation

It is understood and agreed that this POLICY is hereby amended as indicated. All other terms and conditions of this POLICY remain unchanged.

### EMERGENCY ASSISTANCE AGREEMENT ENDORSEMENT

For the purposes of this Endorsement, the term "EMERGENCY ASSISTANCE CONTRACT" shall mean a contract or agreement, expressed or implied, whereby one or more utility companies (a "responding company") agrees to provide emergency assistance to the NAMED INSURED in the form of personnel or equipment to aid in maintaining or restoring utility service when such service has been disrupted by acts of the elements, equipment malfunctions, accidents, sabotage or any other event where the responding company and the NAMED INSURED deem emergency assistance to be necessary or advisable.

Section II., Definitions, (Z) "PROPERTY DAMAGE" is amended to include the following:

The term "PROPERTY DAMAGE" shall also mean: (1) any increase in cost of workers' compensation or employers' liability insurance or self-insurance to a responding company where liability for such increased cost is assumed by the NAMED INSURED pursuant to an EMERGENCY ASSISTANCE CONTRACT; and (2) physical damage to or destruction of property owned by a responding company which occurs during an emergency assistance situation.

Any damage to or loss of property owned or used by a responding company for which the NAMED INSURED has become liable under an EMERGENCY ASSISTANCE CONTRACT shall be deemed to have resulted from an OCCURRENCE and also deemed to be a liability assumed by the INSURED under CONTRACT and thus within the coverage provided by Section I., Insuring Agreement(A).

Subject to the General Aggregate Limit set forth in Section I.(B)(2), the COMPANY'S Limit of Liability with respect to ULTIMATE NET LOSS for damages because of PROPERTY DAMAGE as provided by this Endorsement shall be \$35,000,000 for any one OCCURRENCE.



Signature of Authorized Representative

## ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED

Endorsement No. 8

Effective date of Endorsement November 1, 2013

Attached to and forming part of POLICY No. XL5044803P

NAMED INSURED Entergy Corporation

It is understood and agreed that this POLICY is hereby amended as indicated. All other terms and conditions of this POLICY remain unchanged.

### DESIGNATED ENTITY EXCLUSION

This POLICY shall not apply and the COMPANY shall not be liable to make any payment for ULTIMATE NET LOSS with respect to any CLAIM(S) made against or arising out of the operations, acts or omissions of Nelson Industrial Steam Company or any subsidiary of such company in line of descent now existing or hereafter acquired or formed.



Signature of Authorized Representative

**ENDORSEMENT FOR  
MOTOR CARRIER POLICIES OF INSURANCE FOR PUBLIC LIABILITY  
UNDER SECTIONS 29 AND 30 OF THE MOTOR CARRIER ACT OF 1980**

Issued to Entergy Corporation of New Orleans, LA

Dated at 1 Meadowlands Plaza East Rutherford, NJ this 1st day of November, 2013

Amending Policy No. XL5044803P Effective Date November 1, 2013

Name of Insurance Company Associated Electric & Gas Insurance Services Limited

Telephone Number (201) 508-2600 Countersigned by \_\_\_\_\_

The Policy to which this endorsement is attached provides primary or excess insurance, as indicated by "☒", for the limits shown:

☐ This insurance is primary and the company shall not be liable for amounts in excess of \$ \_\_\_\_\_ for each accident

☒ This insurance is excess and the company shall not be liable for amounts in excess of \$ 2,000,000 for each accident  
in excess of the underlying limit of \$ 3,000,000 for each accident.

Whenever required by the Federal Highway Administration (FHWA) or the Interstate Commerce Commission (ICC), the company agrees to furnish the FHWA or the ICC a duplicate of said policy and all its endorsements. The company also agrees, upon telephone request by an authorized representative of the FHWA or the ICC, to verify that the policy is in force as of a particular date.

Cancellation of this endorsement may be effected by the company or the insured by giving (1) thirty-five (35) days notice in writing to the other party (said 35 days notice to commence from the date the notice is mailed, proof of mailing shall be sufficient proof of notice), and (2) if the insured is subject to the ICC's jurisdiction, by providing thirty (30) days notice to the ICC (said 30 days notice to commence from the date the notice is received by the ICC at its office in Washington, D.C.).

**DEFINITIONS AS USED IN THIS ENDORSEMENT**

**ACCIDENT** includes continuous or repeated exposure to conditions which result in bodily injury, property damage, or environmental damage which the insured neither expected nor intended

**MOTOR VEHICLE** means a land vehicle, machine, truck, tractor, trailer, or semitrailer propelled or drawn by mechanical power and used on a highway for transporting property, or any combination thereof.

**BODILY INJURY** means injury to the body, sickness, or disease to any person, including death resulting from any of these.

**ENVIRONMENTAL RESTORATION** means restitution for the loss,

damage, or destruction of natural resources arising out of the accidental discharge, dispersal, release or escape into or upon the land, atmosphere, watercourse, or body of water, of any commodity transported by a motor carrier. This shall include the cost of removal and the cost of necessary measures taken to minimize or mitigate damage to human health, the natural environment, fish, shellfish, and wildlife.

**PROPERTY DAMAGE** means damage to or loss of use of tangible property.

**PUBLIC LIABILITY** means liability for bodily injury, property damage, and environmental restoration.

The insurance policy to which this endorsement is attached provides automobile liability insurance and is amended to assure compliance by the insured, within the limits stated herein, as a motor carrier of property, with Sections 29 and 30 of the Motor Carrier Act of 1980 and the rules and regulations of the Federal Highway Administration (FHWA) and the Interstate Commerce Commission (ICC).

In consideration of the premium stated in the policy to which this endorsement is attached, the insurer (the company) agrees to pay, within the limits of liability described herein, any final judgment recovered against the insured for public liability resulting from negligence in the operation, maintenance or use of motor vehicles subject to the financial responsibility requirements of Sections 29 and 30 of the Motor Carrier Act of 1980 regardless of whether or not each motor vehicle is specifically described in the policy and whether or not such negligence occurs on any route or in any territory authorized to be served by the insured or elsewhere. Such insurance as is afforded, for public liability, does not apply to injury to or death of the insured's employees while engaged in the course of their employment, or property transported by the insured, designated as cargo. It is understood and agreed that no condition, provision, stipulation, or limitation contained in the policy, this endorsement, or any other endorsement thereon,

or violation thereof, shall relieve the company from liability or from the payment of any final judgment, within the limits of liability herein described, irrespective of the financial condition, insolvency or bankruptcy of the insured. However, all terms, conditions, and limitations in the policy to which the endorsement is attached shall remain in full force and effect as binding between the insured and the company. The insured agrees to reimburse the company for any payment made by the company on account of any accident, claim, or suit involving a breach of the terms of the policy, and for any payment that the company would not have been obligated to make under the provisions of the policy except for the agreement contained in this endorsement

It is further understood and agreed that, upon failure of the company to pay any final judgment recovered against the insured as provided herein the judgment creditor may maintain an action in any court of competent jurisdiction against the company to compel such payment

The limits of the company's liability for the amounts prescribed in this endorsement apply separately, to each accident, and any payment under the policy because of any one accident shall not operate to reduce the liability of the company for the payment of final judgments resulting from any other accident.

The Motor Carrier Act of 1980 requires limits of financial responsibility according to the type of carriage and commodity transported by the motor carrier. It is the MOTOR CARRIER'S obligation to obtain the required limits of financial responsibility.

THE SCHEDULE OF LIMITS SHOWN ON THE REVERSE SIDE DOES NOT PROVIDE COVERAGE.

The limits shown in the schedule are for information purposes only.

**SCHEDULE OF LIMITS****Public Liability**

<u>Type of Carriage</u>	<u>Commodity Transported</u>	<u>Minimum Insurance</u>
(1) For-hire (In interstate or foreign commerce) .	Property (nonhazardous).	\$ 750,000
(2) For-hire and Private (In interstate, foreign, or intrastate commerce).	Hazardous substances, as defined in 49 CFR 171.8, transported in cargo tanks, portable tanks, or hopper-type vehicles with capacities in excess of 3,500 water gallons; or in bulk Divisions 1.1, 1.2, and 1.3 materials; any quantity of Division 2.3 Hazard Zone A or Division 6.1, Packing Group 1, Hazard Zone A material; in bulk Division 2.1 or 2.2; or highway route controlled quantities of a Class 7 material as defined in 49 CFR 173.403.	5,000,000
(3) For-hire and Private (In interstate or foreign commerce: in any quantity) or (In intrastate commerce: in bulk only).	Oil listed in 49 CFR 172.101; hazardous materials and hazardous substances defined in 49 CFR 171.8 and listed in 49 CFR 172.101, but not mentioned in (2) above or (4) below.	1,000,000
(4) For-hire and Private (In interstate or foreign commerce).	Any quantity of Division 1.1, 1.2 or 1.3 material; any quantity of a Division 2.3, Hazard Zone A, or Division 6.1, Packing Group 1, Hazard Zone A material; or highway route controlled quantities of a Class 7 material as defined in 49 CFR 173.403.	5,000,000

**Note:** The type of carriage listed under numbers (1), (2), and (3) applies to vehicles with a gross vehicle weight rating of 10,000 pounds or more. The type of carriage listed under number (4) applies to all vehicles with a gross vehicle weight rating of less than 10,000 pounds.

**SCHEDULE OF LIMITS****Public Liability**

For-hire motor carriers of passengers operating in interstate or foreign commerce

<u>Vehicle Seating Capacity</u>	<u>Minimum Insurance</u>
(1) Any vehicle with a seating capacity of 16 passengers or more.	\$ 5,000,000
(2) Any vehicle with a seating capacity of 15 passengers or less.	1,500,000

**AEGIS Insurance Services, Inc.**

**Authorized Representative:**

**Associated Electric & Gas Insurance Services Limited**

**1 Meadowlands Plaza**

**East Rutherford, New Jersey 07073**

**Associated Electric & Gas Insurance Services Limited**

**The Maxell Roberts Building, 4th Floor**

**One Church Street**

**Hamilton, HM 11 Bermuda**

## ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED

Endorsement No. 10

Effective date of Endorsement November 1, 2013

Attached to and forming part of POLICY No. XL5044803P

NAMED INSURED Entergy Corporation

It is understood and agreed that this POLICY is hereby amended as indicated. All other terms and conditions of this POLICY remain unchanged.

### **ADDITIONAL INSUREDS - BLANKET BASIS (CERTIFICATE HOLDERS)**

Any person or organization to whom a Certificate of Insurance has been issued with respect to this POLICY is included as an additional INSURED under the POLICY, but only if and to the extent the NAMED INSURED has agreed in writing prior to an OCCURRENCE to provide insurance to such person or organization. The coverage afforded the additional INSURED is subject to the terms, exclusions and conditions of this POLICY, including the Limits of Liability, and is further limited to the amount required by the prior written agreement with the NAMED INSURED.

Notwithstanding the foregoing, the following shall not be an additional INSURED under this POLICY:

- (a) any organization acquired or formed by the NAMED INSURED after the inception of the POLICY PERIOD;
- (b) where such other person or organization has assumed the liability of any other INSURED under contract; or
- (c) where such other person or organization is engaged in a JOINT VENTURE with the NAMED INSURED in which the NAMED INSURED is not the operator or managing partner.



Signature of Authorized Representative

## ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED

Endorsement No. 11

Effective date of Endorsement November 1, 2013

Attached to and forming part of POLICY No. XL5044803P

NAMED INSURED Entergy Corporation

It is understood and agreed that this POLICY is hereby amended as indicated. All other terms and conditions of this POLICY remain unchanged.

### MEMBER WITH VOTING RIGHTS ENDORSEMENT

This POLICY entitles the NAMED INSURED to be a member in the COMPANY, unless that membership is superseded, at any point in time, by membership in the COMPANY of a parent or affiliated company of the NAMED INSURED.

This POLICY also entitles the NAMED INSURED to a vote on any matter submitted to the members of the COMPANY unless that voting right is superseded, at any point in time, by the voting right of a parent or affiliated company of the NAMED INSURED.



Signature of Authorized Representative



## ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED

Endorsement No. 12

Effective date of Endorsement November 1, 2013

Attached to and forming part of POLICY No. XL5044803P

NAMED INSURED Entergy Corporation

It is understood and agreed that this POLICY is hereby amended as indicated. All other terms and conditions of this POLICY remain unchanged.

### TERRORISM LIMITS AND TRIPRA OF 2007 ENDORSEMENT

THIS ENDORSEMENT LIMITS THE AMOUNT THAT YOU MAY RECOVER UNDER THIS POLICY FOR LOSS AND DEFENSE COSTS ARISING OUT OF ACTS OF TERRORISM AND PROVIDES SPECIAL REPORTING AND PAYMENT PROCEDURES FOR LOSSES SUSTAINED BECAUSE OF SUCH ACTS.

AS A RESULT OF THIS ENDORSEMENT, YOUR COVERAGE MAY BE REDUCED BY PAYMENTS MADE UNDER OTHER POLICIES ISSUED TO YOU. YOUR COVERAGE ALSO MAY BE REDUCED BY PAYMENTS MADE UNDER POLICIES ISSUED TO PERSONS UNRELATED TO YOU BY THE COMPANY OR BY OTHER PROPERTY AND CASUALTY INSURERS.

#### SUPPLEMENTAL DECLARATIONS

Member Terrorism Aggregate Limit: \$35,000,000

Shared Terrorism Aggregate Limit: \$ 250,000,000

List of Policies: XL5044802P, XP5041403P, FX5235002P, WC5042203P

Words and phrases that appear in all capital letters have the special meanings set forth in the POLICY and this Endorsement

#### COVERAGE A. TERRORISM COVERAGE PURSUANT TO THE TERRORISM RISK INSURANCE ACT OF 2002, AS AMENDED BY THE TERRORISM RISK INSURANCE EXTENSION ACT OF 2005 AND THE TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007 (THE "FEDERAL ACT")

- (A) The COMPANY will pay for "**insured loss**" resulting from an "**act of terrorism**" pursuant to the terms and conditions of this POLICY. Such payment will be subject to the Limits of Liability contained in this POLICY other than the Member Terrorism Aggregate Limit and Shared Terrorism Aggregate Limit, provided: (Each **bolded term** is defined by the Federal Act; those definitions control the COMPANY's grant of coverage under this POLICY.)
- (1) The Member Terrorism Aggregate Limit shall be reduced by "**insured loss**" paid under all MEMBER POLICIES (as such term is defined in Coverage B of this Endorsement). The Member Terrorism Aggregate Limit shall be the amount set forth in the Supplemental Declarations; and
- (2) The Shared Terrorism Aggregate Limit shall be reduced by "**insured loss**" paid under all COVERED POLICIES (as such term is defined in Coverage B of this Endorsement) issued during calendar years 2002 through 2014, inclusive. The Shared Terrorism Aggregate Limit shall be the amount set forth in the Supplemental Declarations.
- (B) Should the Member Terrorism Aggregate Limit or the Shared Terrorism Aggregate Limit be completely reduced by "**insured loss**," the COMPANY will still be responsible for insuring additional "**insured losses**" pursuant to the terms and conditions of this POLICY (including all Limits of Liability other than the Member Terrorism Aggregate Limit and the Shared Terrorism Aggregate Limit). Pursuant to the terrorism coverage

## TERRORISM LIMITS AND TRIPRA OF 2007 ENDORSEMENT

under Coverage B of this Endorsement, should the Member Terrorism Aggregate Limit or the Shared Terrorism Aggregate Limit be completely reduced by **"insured loss"** and/or TERRORISM LOSS (as such term is defined in Coverage B of this Endorsement), the COMPANY will still be responsible for insuring additional **"insured losses"** pursuant to the terms and conditions of this POLICY, but will no longer be responsible for insuring additional TERRORISM LOSSES pursuant to Coverage B of this Endorsement.

- (C) Pursuant to the Federal Act, if the total **"insured losses"** of all property and casualty insurers reach \$100 billion during any applicable period, the COMPANY will not be liable under this POLICY for any portion of such losses that exceed such amount. Therefore, the amounts we pay to you pursuant to this Coverage A may be reduced. Because of this, the COMPANY may reserve its rights when making payments to you for **"insured losses"** and may require an undertaking from you to return to the COMPANY any overpayment.

### COVERAGE B. TERRORISM COVERAGE BEYOND THE SCOPE OF THE FEDERAL ACT

Subject to the coverage provided in Coverage A:

- (A) The most that the COMPANY will pay for TERRORISM LOSS shall be limited to the Member Terrorism Aggregate Limit and the Shared Terrorism Aggregate Limit. These limits (1) apply independently, (2) are part of and not in addition to any other limits contained in this POLICY and (3) shall not be used to increase any other Limit(s) of Liability contained in this POLICY or any other insurance policy issued by the COMPANY.
- (B) The Member Terrorism Aggregate Limit is the maximum amount that the COMPANY will pay in the aggregate for TERRORISM LOSS under all MEMBER POLICIES, regardless of the number of OCCURRENCES, WRONGFUL ACTS or ACT(S) OF TERRORISM or the number of insureds affected thereby.
- (C) The Shared Terrorism Aggregate Limit is the maximum amount that the COMPANY will pay in the aggregate for TERRORISM LOSS under all COVERED POLICIES issued during calendar years 2002 through 2014, inclusive, regardless of the number of OCCURRENCES, WRONGFUL ACTS or ACT(S) OF TERRORISM or the number of insureds affected thereby.
- (D) Once the COMPANY has made payments under this POLICY or any other MEMBER POLICIES totaling the Member Terrorism Aggregate Limit, then the COMPANY shall have no obligation to make any additional payment for TERRORISM LOSS under this POLICY or any other MEMBER POLICY, even if this results in an insured under one policy receiving a greater proportion of total payments made by the COMPANY than another insured under the same or a different policy.
- (E) If the COMPANY's total liability for TERRORISM LOSS under all COVERED POLICIES (without giving effect to the Shared Terrorism Aggregate Limit) exceeds the Shared Terrorism Aggregate Limit, then the COMPANY's liability for TERRORISM LOSS under this POLICY shall be limited to the Proportionate Share of the Shared Terrorism Aggregate Limit. The Proportionate Share shall mean the ratio determined by dividing:
  - (1) the COMPANY's total liability under this POLICY for TERRORISM LOSS (without giving effect to the Shared Terrorism Aggregate Limit) by
  - (2) the COMPANY's total liability under all COVERED POLICIES issued during calendar years 2002 through 2014, inclusive, for all TERRORISM LOSS (without giving effect to the Shared Terrorism Aggregate Limit).
- (F) The COMPANY reserves the right to delay payment of all or part of any amount claimed by an insured for TERRORISM LOSS until the limits applicable to such TERRORISM LOSS can be reasonably ascertained by the COMPANY.
- (G) Any payment made with respect to an ACT OF TERRORISM shall be subject to being refunded until final determination by the COMPANY of the total TERRORISM LOSS of all insureds under COVERED

## TERRORISM LIMITS AND TRIPRA OF 2007 ENDORSEMENT

POLICIES. The COMPANY may condition any payment of any TERRORISM LOSS upon receipt by the COMPANY of the written agreement of the insured receiving such payment (or on whose behalf such payment is made) to repay to the COMPANY any portion of such amount subsequently determined by the COMPANY to be in excess of the limits hereunder.

- (H) All CLAIMS arising out of or resulting from an ACT OF TERRORISM shall be deemed to have been made when the first written notice of a claim or "Notice of Circumstances" under a COVERED POLICY is given to the COMPANY for the ACT OF TERRORISM or a loss or potential loss arising out of an ACT OF TERRORISM, regardless of whether such written notice of a claim or "Notice of Circumstances" is made by the NAMED INSURED or any other party insured by the COMPANY.
  
- (I) Upon receiving written notice of a claim or "Notice of Circumstances" under a COVERED POLICY that the COMPANY determines involves loss or potential loss arising out of an ACT OF TERRORISM, the COMPANY will send a notice to the INSURED first named in the Declarations stating that the COMPANY has received a written notice of claim or "Notice of Circumstances" arising out of an ACT OF TERRORISM. Not later than six months after the date of such notice by the COMPANY, any INSURED having or expecting to have a claim for TERRORISM LOSS arising out of the ACT OF TERRORISM covered by the COMPANY's notice must submit to the COMPANY an estimate of all projected TERRORISM LOSS for which coverage is claimed or is expected to be claimed under this POLICY, including the basis for the projected amount of the loss. The INSURED shall promptly notify the COMPANY of any material change in the amount claimed or expected to be claimed.
  
- (J) This POLICY covers only actual TERRORISM LOSS amounts reported to the COMPANY not later than three years after the date that the ACT OF TERRORISM giving rise to such TERRORISM LOSS is first known to have occurred or a reasonable estimate of TERRORISM LOSS reported to the COMPANY not later than three years after such date based on information and circumstances as of the time such estimate is reported. This paragraph shall not be construed to require the COMPANY to pay any loss in excess of actual TERRORISM LOSS.
  
- (K) "TERRORISM LOSS" means direct or indirect loss, damage, liability, costs or expenses, including defense costs, occasioned by, happening through or as a direct or indirect consequence of any ACT OF TERRORISM regardless of any other cause or event contributing concurrently or in other sequence to the loss, damage, liability, costs or expenses and regardless of when such loss, damage, liability, costs or expenses become manifest or known. Any loss claimed due to the failure to take proper precautions to avert losses from an ACT OF TERRORISM or the failure to continue business after an ACT OF TERRORISM shall be considered to be occasioned by such ACT OF TERRORISM.
  
- (L) "ACT OF TERRORISM" means the commission of a violent act, or an act dangerous to human life, tangible property, intangible property or infrastructure, or the threat of such act, that is reasonably believed to have been committed (a) for political, religious and/or ideological reasons; and (b) either (1) to intimidate, coerce or cause fear among the public or a section of the public, (2) to influence the policy of, or overthrow, a government by intimidation, fear or coercion, (3) to affect the conduct of a government or the public or a section of the public, (4) to disrupt any segment of a country's economy or (5) for any similar reason. An ACT OF TERRORISM shall also include any actions by, or on behalf of, a government or branch thereof (including, without limitation, the uniformed armed forces, militia, police, state security, national guard and anti-terrorism agencies) in deterring, responding to, combating or retaliating against terrorism or removing debris from a terrorist attack.
  
- (M) "MEMBER POLICIES" means the Scheduled Policies listed in the Supplemental Declarations and endorsements to or extensions, renewals or replacements of any such policies. A replacement shall include, but not be limited to, any policy similar to the Scheduled Policy where the first "Named Insured" or "Company" on the Scheduled Policy is an "Insured" on the replaced policy.

**TERRORISM LIMITS AND TRIPRA OF 2007 ENDORSEMENT**

- (N) "COVERED POLICIES" means all insurance policies issued or reinsured by the COMPANY, including but not limited to all Excess Liability, Directors and Officers Liability, General Partner Liability, Public Officials Liability, Fiduciary and Employee Benefit Liability, Workers' Compensation, Excess Workers' Compensation, Professional Liability, Punitive Damages and Property insurance policies and all endorsements to and extensions of such policies.
- (O) "WRONGFUL ACT," as used in Coverage B, paragraphs (B) and (C) of this endorsement, has the meaning given to such term in any applicable COVERED POLICY.
- (P) "OCCURRENCE," as used in Coverage B, paragraphs (B) and (C) of this endorsement, has the meaning given to such term in any applicable COVERED POLICY.

For the purposes of this Endorsement, an insurance policy shall be deemed to be issued during the calendar year if the first day of the "Policy Period" (as defined in each such policy) was during the calendar year. In the case of a policy covering multiple twelve-month periods, the policy shall be deemed to have been renewed on, and the first day of the "Policy Period" shall be deemed to be, the anniversary date of the policy.

The COMPANY has the right to modify this Endorsement, without consideration, if the Federal Act is not extended or renewed at expiration or if legislation is enacted by the Federal government of the United States that would, in any way, affect the coverage being provided by this Endorsement.



---

Signature of Authorized Representative

## ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED

Endorsement No. 13

Effective date of Endorsement February 25, 2014

Attached to and forming part of POLICY No. XL5044803P

NAMED INSURED Entergy Corporation

It is understood and agreed that this POLICY is hereby amended as indicated. All other terms and conditions of this POLICY remain unchanged.

### ADDITIONAL INSURED ENDORSEMENT

Section II., Definitions, (L) INSURED is hereby amended to include the following, but only with respects to liability imposed upon the following as result of the operations of the NAMED INSURED:

Department of the Navy  
Naval Facilities Engineering Command  
Southeast Building 135  
P.O. Box 30  
Jacksonville, FL 32212-0030

For the purposes of the Certificate of Insurance (ACORD), Section IV., Conditions, (Q) Cancellation subpart (2) is amended as follows:

- (2) At any time by the COMPANY by mailing written notice to the NAMED INSURED and the above stating when, not less than sixty (60) days from the date notice was mailed, cancellation shall be effective; except, in the event of cancellation for non-payment of premiums in which event such cancellation shall become effective thirty (30) days after the notice was mailed.



Signature of Authorized Representative